

GR- MOD

ASSIGNED

Name The Estate of Hugo W. Ehrlich
by Sheryl Peterson as Personal Representative
 Address 34344 SE Columbus St.
Albany, OR 97321

DESCRIPTION OF WATER RIGHT(S)

Name of Stream A Well

Trib. of Oak Cr.

Use Irrigation

County Linn um 2

Quantity of water (CFS) _____

No. of Acres _____

Name of ditch _____

App# GR-2208 Per # _____ Cert # _____ PR Date 1952

App# _____ Per # _____ Cert # _____ PR Date _____

App# _____ Per # _____ Cert # _____ PR Date _____

App# _____ Per # _____ Cert # _____ PR Date _____

App# _____ Per # _____ Cert # _____ PR Date _____

| FEES PAID | | |
|----------------|---------------------------|---------------|
| Date | Amount | Receipt # |
| <u>5-18-17</u> | <u>\$875⁰⁰</u> | <u>123439</u> |
| <u>9/5/18</u> | <u>100.00</u> | <u>127894</u> |

Change in POV

Date Filed 5-18-17

Initial notice date 5-30-17

DPD issued date 9-18-18

PD issued date 10-8-18

PD notice date 10-9-18

Date of FO 11-20-2018 Vol 109 Page 1030

Correcting 1/15/2026 Vol 138 Page 387

C-Date _____

COBU due date _____

COBU Received date _____

Certificate issued _____

FEES REFUNDED

Date Amount Receipt #

Assignments: Assigned: 8/5/18 Sheryl Peterson, Trustee 34344 SE Columbus St. Albany, Or. 97322

Irrigation District _____

Agent V 3 D Engineering - Attn: Ian McGwire, CWRE
276 NW Hickory St. Albany, OR 97321

CWRE _____

CC's list _____

- Oversized map - Location _____

STATE OF OREGON
WATER RESOURCES DEPARTMENT

725 Summer St. N.E. Ste. A
 SALEM, OR 97301-4172
 (503) 986-0900 / (503) 986-0904 (fax)

RECEIPT # **127894**

INVOICE # _____

RECEIVED FROM: Sheryl A Peterson
 BY: ITEE

| | |
|-------------|----------------|
| APPLICATION | |
| PERMIT | |
| TRANSFER | <u>T-12671</u> |

CASH: CHECK:# 310 OTHER: (IDENTIFY)

TOTAL REC'D \$ 100.00

1083 TREASURY 4170 WRD MISC CASH ACCT

| | |
|-------------------|----|
| 0407 COPIES | \$ |
| OTHER: (IDENTIFY) | \$ |

0243 I/S Lease _____ 0244 Muni Water Mgmt. Plan _____ 0245 Cons. Water _____

4270 WRD OPERATING ACCT

MISCELLANEOUS 46111

| | |
|---|------------------|
| 0407 COPY & TAPE FEES | \$ |
| 0410 RESEARCH FEES | \$ |
| 0408 MISC REVENUE: (IDENTIFY) <u>Assignment</u> | \$ <u>100.00</u> |
| TC162 DEPOSIT LIAB. (IDENTIFY) | \$ |
| 0240 EXTENSION OF TIME | \$ |

WATER RIGHTS:

| | | | |
|--------------------|----------|------|------------|
| 0201 SURFACE WATER | EXAM FEE | 0202 | RECORD FEE |
| 0203 GROUND WATER | \$ | 0204 | \$ |
| 0205 TRANSFER | \$ | | |

WELL CONSTRUCTION

| | | | |
|-----------------------------|----------|------|-------------|
| 0218 WELL DRILL CONSTRUCTOR | EXAM FEE | 0219 | LICENSE FEE |
| LANDOWNER'S PERMIT | \$ | 0220 | \$ |
| OTHER (IDENTIFY) | | | |

0536 TREASURY 0437 WELL CONST. START FEE

| | | |
|---------------------------|----|--------|
| 0211 WELL CONST START FEE | \$ | CARD # |
| 0210 MONITORING WELLS | \$ | CARD # |
| OTHER (IDENTIFY) | | |

0607 TREASURY 0467 HYDRO ACTIVITY LIC NUMBER

| | |
|---------------------------------|----|
| 0233 POWER LICENSE FEE (FW/WRD) | \$ |
| 0231 HYDRO LICENSE FEE (FW/WRD) | \$ |
| HYDRO APPLICATION | \$ |

TREASURY OTHER / RDX

FUND _____ TITLE _____
 OBJ. CODE _____ VENDOR # _____
 DESCRIPTION _____ \$ _____

**RECEIVED
 OVER THE COUNTER**

RECEIPT: **127894** DATED: 9/15/18 BY: CTW

Distribution - White Copy - Customer, Yellow Copy - Fiscal, Blue Copy - File, Buff Copy - Fiscal



Oregon

Tina Kotek, Governor

Water Resources Department

North Mall Office Building

725 Summer St NE, Suite A

Salem, OR 97301

Phone 503 986-0900

Fax 503 986-0904

January 15, 2026

Estate Of Hugo W Erhlich
Sheryl Peterson as Personal Rep
34344 SE Columbus St
Albany, OR 97322

Weatherford Thompson, P.C.
Edward Schultz
130 1st Ave. W.
PO Box 667
Albany, OR 97321

Reference: T-12671 Superseding Correcting Final Order and Superseding Certificate

Enclosed is a correcting final order recorded in Special Order Vol. 138, Page 387, issued to correct a scrivener's error in the order recorded in Special Order Vol. 109, Page 1030. A correcting certificate is also enclosed.

If you have any questions please contact your caseworker, Elyse Hennen, by telephone at (971) 701-5485 or by e-mail at Elyse.d.hennen@water.oregon.gov.

Sincerely,

David Jones Jr
Water Right Support
Transfers and Conservation Section

cc: Watermaster Dist. #2 , Lanaya F. Blakely (*via email*)
Ian McGuire, Agent
Linn County Planning Department, Local Government

Enclosures

**BEFORE THE WATER RESOURCES DEPARTMENT
OF THE
STATE OF OREGON**

In the Matter of Special Order Volume 109,) CORRECTING ORDER
Pages 1030-1033 approving T-12671, Linn)
County)

Applicant

THE ESTATE OF HUGO W. EHRLICH
BY SHERYL PETERSON AS PERSONAL REPRESENTATIVE
34344 SE COLUMBUS ST
ALBANY, OR 97321

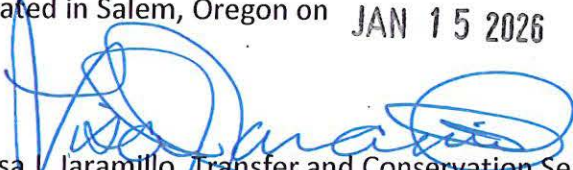
Findings of Fact

1. On November 20, 2018, the Department issued an order approving Transfer T-12671. The order was recorded at Special Order Volume 109, Pages 1030-1033.
2. The order contained a scrivener's error in the rate allowed for the portion of acres involved in the Groundwater Registration Modification. The order incorrectly listed the gallons per minute allowed as 175 gpm which is the maximum allowed rate for the entirety of the acreage in the claim rather than the portion involved in the Groundwater Registration Modification.
3. The correct rate for the 19.5 acres involved in the Groundwater Registration Modification is 142.2 gallons per minute.

Now, therefore, it is ORDERED:

1. The order approving T-12671, as recorded in Special Order Volume 109, Pages 1030-1033 is corrected to a rate of 142.2 gallons per minute.
2. All other provisions of Special Order Volume 109, Pages 1030-1033 remain in effect.

Dated in Salem, Oregon on **JAN 15 2026**


Lisa J. Jaramillo, Transfer and Conservation Section Manager, for
IVAN GALL, DIRECTOR
Oregon Water Resources Department

Mailing Date: **JAN 16 2026**

Review Checklist

T-12671

Caseworker: Carey C PR Initials _____

File Prep

| | | | |
|--|--|--|--|
| <input checked="" type="checkbox"/> CW | <input checked="" type="checkbox"/> File Assigned (computer entry) | <input checked="" type="checkbox"/> CW | <input checked="" type="checkbox"/> Print Tax Lot Map(s)/Ownership info if available on the web |
| <input checked="" type="checkbox"/> | Make Copies App, Map, CW review , (WM Review, ODFW to send to applicant later) Affidavits if applicable | <input checked="" type="checkbox"/> | Print: Certs, WR maps, (Tabulations, Sp Or, Air Photos or other helpful info to aid in processing) |
| <input checked="" type="checkbox"/> | Bundle Originals with cover sheet | <input checked="" type="checkbox"/> | Check Area of Interest – print if needed |
| <input checked="" type="checkbox"/> | Check for any public comments submitted electronically. Print any comments received. | <input checked="" type="checkbox"/> | Any irrigation districts that need notice based on Area of Interest Check. <input type="checkbox"/> Yes <input checked="" type="checkbox"/> No Note: |

APPLICATION/MAP REVIEW

| | | | |
|-----------------------------|---|-----------------------------|--|
| <input type="checkbox"/> PR | <input checked="" type="checkbox"/> CW | <input type="checkbox"/> PR | <input checked="" type="checkbox"/> CW |
| <input type="checkbox"/> | <input checked="" type="checkbox"/> Appropriately signed | <input type="checkbox"/> | <input checked="" type="checkbox"/> Ditch Company, Irr. Dist. and/or BOR sent copies |
| <input type="checkbox"/> | <input checked="" type="checkbox"/> Checked WRIS contact address/e-mail for accuracy | <input type="checkbox"/> | <input checked="" type="checkbox"/> Appropriate Fees Paid |
| <input type="checkbox"/> | <input checked="" type="checkbox"/> Revisit application checklist & Supporting Docs | <input type="checkbox"/> | <input checked="" type="checkbox"/> Overpayment of Fees, Refund Request with FO |
| <input type="checkbox"/> | Any deficiencies that need to be addressed? <input type="checkbox"/> Yes <input checked="" type="checkbox"/> No Notes: <u>Needs Reg. for Assignment</u> | <input type="checkbox"/> | <input checked="" type="checkbox"/> Land Use Form matches Tax Lots, is signed by proper official and is APPROVED |

DETERMINING THE "FROM" AND "TO" LANDS

| | | | |
|-----------------------------|--|-----------------------------|---|
| <input type="checkbox"/> PR | <input checked="" type="checkbox"/> CW | <input type="checkbox"/> PR | <input checked="" type="checkbox"/> CW |
| <input type="checkbox"/> | <input checked="" type="checkbox"/> Only the authorized POD's/POA's and POU's to be transferred are listed. | <input type="checkbox"/> | <input checked="" type="checkbox"/> Application & certificate tabulations match. (Mark on appl. and cert. copies and note corrections needed) |
| <input type="checkbox"/> | <input checked="" type="checkbox"/> Marked on certificate the acreage being transferred, cancelled and remaining by 1/4 1/4. | <input type="checkbox"/> | <input checked="" type="checkbox"/> Marked on certificate the quantity of water being transferred, cancelled, and remaining |
| <input type="checkbox"/> | <input checked="" type="checkbox"/> Compare Water Right map to App Map for Accuracy | <input type="checkbox"/> | <input checked="" type="checkbox"/> Check and notate on Plat Card for Conflicts (To and From Lands) N/A if no change in POU or Use |

INJURY REVIEWS/COMMENTS/CONDITIONS

| | | | | |
|-----------------------------|--|--|---|---|
| <input type="checkbox"/> PR | <input checked="" type="checkbox"/> CW | <input type="checkbox"/> ODFW | <input type="checkbox"/> Fish Screens | <input type="checkbox"/> Other: <u>Not above or w/ a Scenic WW</u> |
| <input type="checkbox"/> | <input checked="" type="checkbox"/> | <input type="checkbox"/> Ground water | | |
| <input type="checkbox"/> | <input checked="" type="checkbox"/> | Watermaster | <input type="checkbox"/> Headgate | <input type="checkbox"/> Prior to diverting |
| <input type="checkbox"/> | <input checked="" type="checkbox"/> | | <input type="checkbox"/> Measuring Devices | <input type="checkbox"/> Prior to diverting |
| <input type="checkbox"/> | <input checked="" type="checkbox"/> | Injury | <input type="checkbox"/> Yes <input checked="" type="checkbox"/> No | <input checked="" type="checkbox"/> Enlargement <input type="checkbox"/> Yes <input checked="" type="checkbox"/> No |
| <input type="checkbox"/> | <input checked="" type="checkbox"/> | Conditions to Avoid Enlargement/Injury | <u>No additional</u> | |

| DPD | | PD | | FO | | COV | | DPD/PD/ FINAL ORDER/COVER LETTER |
|--------------------------|-------------------------------------|-------------------------------------|-------------------------------------|--------------------------|-------------------------------------|--------------------------|--------------------------|--|
| PR | CW | PR | CW | PR | CW | PR | CW | |
| <input type="checkbox"/> | <input type="checkbox"/> | <input type="checkbox"/> | <input type="checkbox"/> | <input type="checkbox"/> | <input type="checkbox"/> | <input type="checkbox"/> | <input type="checkbox"/> | UPDATE WRIS APPS FOLDER (FIELD STAFF ONLY) |
| <input type="checkbox"/> | <input checked="" type="checkbox"/> | <input type="checkbox"/> | <input checked="" type="checkbox"/> | <input type="checkbox"/> | <input checked="" type="checkbox"/> | <input type="checkbox"/> | <input type="checkbox"/> | Check tenses ex...Find & Replace point(s), Right(s) Meter(s), Device(s) Is/Are, Was/Were |
| <input type="checkbox"/> | <input checked="" type="checkbox"/> | <input type="checkbox"/> | <input checked="" type="checkbox"/> | <input type="checkbox"/> | <input checked="" type="checkbox"/> | <input type="checkbox"/> | <input type="checkbox"/> | Correct address? Add Agent, Receiving Landowner if applicable etc... |
| <input type="checkbox"/> | <input checked="" type="checkbox"/> | <input type="checkbox"/> | <input checked="" type="checkbox"/> | <input type="checkbox"/> | <input checked="" type="checkbox"/> | <input type="checkbox"/> | <input type="checkbox"/> | Compare "from lands" with marked up Certificate |
| <input type="checkbox"/> | <input checked="" type="checkbox"/> | <input type="checkbox"/> | <input checked="" type="checkbox"/> | <input type="checkbox"/> | <input checked="" type="checkbox"/> | <input type="checkbox"/> | <input type="checkbox"/> | Compare Authorized POD(s)/POA(s) with marked up Certificate |
| <input type="checkbox"/> | <input checked="" type="checkbox"/> | <input checked="" type="checkbox"/> | <input checked="" type="checkbox"/> | <input type="checkbox"/> | <input checked="" type="checkbox"/> | <input type="checkbox"/> | <input type="checkbox"/> | Add Watermaster conditions (send copy of review to applicant if applicable) |
| <input type="checkbox"/> | <input checked="" type="checkbox"/> | <input type="checkbox"/> | <input checked="" type="checkbox"/> | <input type="checkbox"/> | <input checked="" type="checkbox"/> | <input type="checkbox"/> | <input type="checkbox"/> | Add Ground water conditions |
| <input type="checkbox"/> | <input checked="" type="checkbox"/> | <input type="checkbox"/> | <input checked="" type="checkbox"/> | <input type="checkbox"/> | <input checked="" type="checkbox"/> | <input type="checkbox"/> | <input type="checkbox"/> | ODFW recommendations (send copy of review to applicant if applicable) |
| <input type="checkbox"/> | <input checked="" type="checkbox"/> | <input type="checkbox"/> | <input checked="" type="checkbox"/> | <input type="checkbox"/> | <input checked="" type="checkbox"/> | <input type="checkbox"/> | <input type="checkbox"/> | Hidden findings unveiled? |
| <input type="checkbox"/> | <input checked="" type="checkbox"/> | <input type="checkbox"/> | <input checked="" type="checkbox"/> | <input type="checkbox"/> | <input checked="" type="checkbox"/> | <input type="checkbox"/> | <input type="checkbox"/> | Add any cancellation language or special situations |
| <input type="checkbox"/> | <input checked="" type="checkbox"/> | <input type="checkbox"/> | <input checked="" type="checkbox"/> | <input type="checkbox"/> | <input checked="" type="checkbox"/> | <input type="checkbox"/> | <input type="checkbox"/> | Attach supporting documents to cover letter if applicable |

Please use and attach additional pages of Table 2 as needed.
See page 5 for instructions.

Do you have questions about how to fill-out the tables?
Contact the Department at 503-986-0900 and ask for Transfer

Table 2. Description of Modifications to Registration GR-2208 (Certificate # GR-2113)

List only the part of the registration that will be modified. For the acreage in each ¼ ¼, list the modification proposed. If more than one modification, specify the acreage associated with each modification. If more than one POA, specify the acreage associated with each POA.

| Authorized ("from" lands) as they appear BEFORE THE CHANGES | | | | | | | | | | | Proposed Changes (see "CODES" from previous page) | Proposed ("to" lands) AFTER THE CHANGES | | | | | | | | | | | | | | |
|---|-----|-----|---|----|---------|----------------|-------|-----------------------------------|--|---------------|---|---|-----|-----|------|---|---------|----------------|-------|-----------------|---|---------------|-----|------------|--------|---------|
| Twp | Rng | Sec | ¼ | ¼ | Tax Lot | Gvt Lot or DLC | Acres | Type of USE listed on Certificate | POD(s) or POA(s) (name or number from Table 1) | Priority Date | | Twp | Rng | Sec | ¼ | ¼ | Tax Lot | Gvt Lot or DLC | Acres | New Type of USE | POD(s)/POA(s) to be used (from Table 1) | Priority Date | | | | |
| 11 | S | 3 | W | 32 | SE | NW | 200 | | 4.0 | Irrigation | POA #1 | 10/1/52 | POU | 11 | S | 3 | W | 29 | SW | NW | 500 | | 2.0 | Irrigation | POA #1 | 10/1/52 |
| | | | | | | | | | | | | | | | | | | | | | | | | | | |
| 11 | S | 3 | W | 32 | NE | NW | 200 | | 15.5 | Irrigation | POA #1 | 10/1/52 | POU | 11 | S | 3 | W | 29 | SW | NW | 501 | | 2.0 | Irrigation | POA #1 | 10/1/52 |
| | | | | | | | | | | | | | | | | | | | | | | | | | | |
| | | | | | | | | | | | | | | | | | | | | | | | | | | |
| | | | | | | | | | | | | | | | | | | | | | | | | | | |
| | | | | | | | | | | | | | | | | | | | | | | | | | | |
| | | | | | | | | | | | | | | | | | | | | | | | | | | |
| TOTAL ACRES | | | | | | | 19.5 | TOTAL ACRES | | | | | | | 19.5 | | | | | | | | | | | |

Additional remarks: _____.

T 12671

RECEIVED
MAY 18 2017
OWPRD



Oregon Water Resources Department
Water Rights Platcard Report

- [Main](#)
- [Help](#)
- [Return](#)
- [Contact Us](#)

FROM

Search Criteria

Meridian: Township: Range: Section: Records per Page:

Platcards Maps!
[Learn about](#) * [View Map](#)

| Water Right | Changing Xfers | Priority | Use | Use Status | DLC | Gov't Lot | Q(40): NE | Q(40): NW | Q(40): SW | Q(40): SE | Q(160): NE | Q(160): NW | Q(160): SW | Q(160): SE | Q(160): NE | Q(160): NW | Q(160): SW | Q(160): SE | Q(160): NE | Q(160): NW | Q(160): SW | Q(160): SE | Q(160): NE | Q(160): NW | Q(160): SW | Q(160): SE | Unknown | | |
|---|----------------|-----------|----------------|------------|-----|-----------|-----------|-----------|-----------|-----------|------------|------------|------------|------------|------------|------------|------------|------------|------------|------------|------------|------------|------------|------------|------------|------------|---------|-----|--|
| Select Permit: G 13587 * | | 5/21/1998 | IRRIGATION | | | | | | | | | | | | | | | | | | | | | | | | 18 | | |
| Additional Info: NH-HAY INC. App: G14755 Permit: G13587 | | | | | | | | | | | | | | | | | | | | | | | | | | | | | |
| Select Permit: G 15121 * | | 8/22/2001 | IRRIGATION | | | | | | | | | | | | | | | | | | | | | | | | 11.7 | 4.3 | |
| Additional Info: NH HAY INC App: G15590 Permit: G15121 | | | | | | | | | | | | | | | | | | | | | | | | | | | | | |
| Select Claim: GR 2208 * | T12671 | 10/1/1952 | IRRIGATION | | | | | | | 19.9 | | | 4 | | | | | | | | | | | | | | | | |
| Additional Info: HUGO W EHRlich Claim: GR2208 | | | | | | | | | | | | | | | | | | | | | | | | | | | | | |
| Select Claim: GR 2615 * | | 3/1/1950 | IRRIGATION | | | | | 7.5 | | | | | | | | | | | | | | | | | | | | | |
| Additional Info: HARRY L KROPF Claim: GR2615 | | | | | | | | | | | | | | | | | | | | | | | | | | | | | |
| Select Cert: 57086 OR * | T12672 | 2/24/1977 | IRRIGATION | | | | | | | 19.2 | 40 | 40 | 33.3 | | | | | | | | | | | | | | | | |
| Additional Info: HUGO EHRlich JR App: G7832 Permit: G7218 Cert: 57086 | | | | | | | | | | | | | | | | | | | | | | | | | | | | | |
| Select Permit: S 35819 * | | 7/7/1971 | MUNICIPAL USES | | | | * | * | * | * | * | * | * | * | * | * | * | * | * | * | * | * | * | * | * | * | * | | |
| Additional Info: CITY OF ADAIR VILLAGE App: S48146 Permit: S35819 | | | | | | | | | | | | | | | | | | | | | | | | | | | | | |

NCR

Acreage Legend: 12.25 Regular
acreage

~~12.25~~ Acreage is on a
canceled right

(12.25) Acreage is part of a transfer and has not been
proven up on yet (inchoate)

[12.25] Acreage has been
suspended

* Acreage is not
specified

| | | | | | | | | | | | | | | | | | | | | | | |
|---|-----------|-------------------|---|---|---|---|---|---|---|---|---|---|---|---|---|---|---|---|---|---|---|---|
| <p>Select Permit: S 35819 * Additional Info: CITY OF ADAIR VILLAGE App: S48146 Permit: S35819</p> | 7/7/1971 | MUNICIPAL USES | * | * | * | * | * | * | * | * | * | * | * | * | * | * | * | * | * | * | * | * |
| <p>Select Permit: S 52886 * Additional Info: CITY OF MILLERSBURG App: S70055 Permit: S52886</p> | 8/31/1989 | MUNICIPAL USES | * | * | * | * | * | * | * | * | * | * | * | * | * | * | * | * | * | * | * | * |

Acreage Legend: 12.25 Regular acreage ~~12.25~~ Acreage is on a canceled right (12.25) Acreage is part of a transfer and has not been proven up on yet (inchoate) [12.25] Acreage has been suspended * Acreage is not specified



Oregon Water Resources Department
Water Rights Platcard Report

"TO"
NCR

- [Main](#) [Help](#)
- [Return](#) [Contact Us](#)

Search Criteria

Meridian: Township: Range: Section: Records per Page:

Platcards Maps!
[Learn about](#) * [View Map](#)

| Water Right | Changing Xfers | Priority | Use | Use Status | DLC | Gov't Lot | QQ(40): | | NE | NW | SW | SE | NE | NW | SW | SE | NE | NW | SW | SE | NE | NW | SW | SE | Unknown |
|--|----------------|------------|----------------|------------|-----|-----------|---------|----|----|----|----|----|----|----|----|----|----|----|----|----|----|----|----|----|---------|
| | | | | | | | Q(160): | NE | NE | NE | NE | NW | NW | NW | NW | SW | SW | SW | SW | SE | SE | SE | SE | QQ | |
| Select Claim: GR 3242 * | | 12/31/1946 | IRRIGATION | | | | | | | | | | | | | | | | | | | | | | |
| Additional Info: NICHOLAS & OLGA VANDENBOS Claim: GR3242 | | | | | | | | | | | | | | | | | | | | | | | | | |
| Select App: P 79062 * | | 11/28/1994 | LIVESTOCK | | | | | | | | | | | | | | | | | | | | | | * |
| Additional Info: LANDMACK SEED CO INC App: P79062 | | | | | | | | | | | | | | | | | | | | | | | | | |
| Select Permit: S 35819 * | | 7/7/1971 | MUNICIPAL USES | | | | | * | * | * | * | * | * | * | * | * | * | * | * | * | * | * | * | * | |
| Additional Info: CITY OF ADAIR VILLAGE App: S48146 Permit: S35819 | | | | | | | | | | | | | | | | | | | | | | | | | |
| Select Permit: S 52886 * | | 8/31/1989 | MUNICIPAL USES | | | | | * | * | * | * | * | * | * | * | * | * | * | * | * | * | * | * | * | |
| Additional Info: CITY OF MILLERSBURG App: S70055 Permit: S52886 | | | | | | | | | | | | | | | | | | | | | | | | | |

Acreage Legend: 12.25 Regular acreage ~~12.25~~ Acreage is on a canceled right (12.25) Acreage is part of a transfer and has not been proven up on yet (inchoate) [12.25] Acreage has been suspended * Acreage is not specified

FOR ASSESSMENT AND TAXATION ONLY

SECTION 32-T11S. R.3W. W.M.
Linn County
1" = 400'

11S03W32
LINN COUNTY

CANCELLED:
802
400
201
202



30 29
31 32

SEE MAP 11 3W 20

1/4 COR. 100
79.09 AC.

29 28
32 33

200
160.09 AC

PARTITION
PLAT

C.S. 23324

A PART OF PARCEL 1 & 2, PARTITION PLAT 2009-16

8-8

2010

51

1100
2.90 AC
1101
0.50 AC
1102
78.19 AC.
(C.S. 10554)

1/4 COR

PARCEL 2

1000
77.09 AC.

1/4 COR

SEE MAP 11 3W 31

300
33.94 AC.

301
0.24 AC.

SEE MAP 11 3W 33

"FROM"

500
40.00 AC.

600
39.00 AC.

1001
2.00 AC.

900
1.00 AC.

800
19.44 AC.

31 32

SEE MAP 12 3W C

700
59.39 AC.

1/4 COR.

32 33

LINN COUNTY
11S03W32

1/12/2011

LINN County Assessor's Summary Report

Real Property Assessment Report

FOR ASSESSMENT YEAR 2017

March 27, 2018 11:13:04 am

| | |
|---|---|
| Account # ██████████ Map # 11S03W32-00-00200 Code - Tax # 00808-129698 Legal Descr Metes & Bounds - See legal report for full description. Mailing Name NATIONAL FROZEN FOODS CORPORATION Agent In Care Of Mailing Address 745 30TH AVE SW ALBANY, OR 97322 | Tax Status ASSESSABLE Acct Status ACTIVE Subtype NORMAL Deed Reference # 2010-20569 Sales Date/Price 12-30-2010 / \$0 Appraiser BAUER, NATALIE |
|---|---|

| | | | | | |
|-------------------|-----|-----------|-----------|-----------|-------------|
| Prop Class | 551 | MA | SA | NH | Unit |
| RMV Class | 501 | 02 | 00 | 000 | 12227-1 |

| Situs Address(s) | Situs City |
|----------------------------|------------|
| ID# 5 34146 COLUMBUS ST SE | ALBANY |

| Value Summary | | | | | |
|------------------------|------------------|---------------|----------------|---------------|-------|
| Code Area | RMV | MAV | AV | RMV Exception | CPR % |
| 00808 | Land 960,770 | | | Land 0 | |
| | Impr. 41,490 | | | Impr. 0 | |
| Code Area Total | 1,002,260 | 42,754 | 181,102 | 0 | |
| Grand Total | 1,002,260 | 42,754 | 181,102 | 0 | |

| Land Breakdown | | | | | | | | | | | |
|--------------------|-----|-----|----|-----------|--------------------------------|-----|----|--------|------------|-----------|----------|
| Code Area | ID# | RFD | Ex | Plan Zone | Value Source | TD% | LS | Size | Land Class | Irr Class | Irr Size |
| 00808 | 5 | R | | | Farm Site | 128 | A | 1.00 | FARM | | |
| 00808 | 2 | R | | | Farm Use Zoned | 128 | A | 84.80 | 2 | | |
| 00808 | 1 | R | | | Farm Use Zoned | 128 | A | 24.00 | 2I | | |
| 00808 | 3 | R | | | Farm Use Zoned | 128 | A | 16.89 | 3 | | |
| 00808 | 4 | R | | | Farm Use Zoned | 128 | A | 34.30 | 4 | | |
| 00808 | | | | | S.A. OSD (INCLUDING LANDSCAPE) | 100 | | | | | |
| Grand Total | | | | | | | | 160.99 | | | 0.00 |

| Improvement Breakdown | | | | | | | | | |
|-----------------------|-----|----------|------------|--------------------------|-----|---------------|-----|-----------|-------------|
| Code Area | ID# | Yr Built | Stat Class | Description | TD% | Total Sq. Ft. | Ex% | MS Acct # | Trended RMV |
| 00808 | 100 | 1925 | 138 | RES One story with attic | 132 | 1,268 | | | 41,490 |
| Grand Total | | | | | | 1,268 | | | 41,490 |

| Exemptions/Special Assessments/Potential Liability | | | | | |
|--|------|--------------------------------------|--------|------|------|
| Code Area | Type | | Amount | Tax | 0.00 |
| NOTATION(S): | | | | | |
| | ■ | POT'L ADD'L TAX LIABILITY ADDED 2009 | | 0.00 | 0.00 |

Comments:

***** CAP NOTE - Type J *****
 EV09-122: Seg'd 4.35ac to TL601 #400107; 80.52ac from TL201 #765219 w/imps& HS.
 156.52ac remain. RMV/AV/MAV bal. Reclassed soils per GIS est. 4/30/09
 jdr
 3/16/2011: LLA W/ACCT 897334. ALL SAV. NB

***** CAP NOTE - Type R MX for 2011 *****
 MX10: FLB IS GONE.EST AFTER 1/1/09 & CLOSE TO SALE. CK 2010 FOR CONDITION OF
 R1. REMOVE VALUE FOR FLB. 5/14/09 JDR/Ck 2011 for R1. 12/11/09 jdr
 CORRECTED INFO/REDUCED TO 40% GOOD. 2/25/10 JDR

11MX: N/C TO RES, WAIT FOR PERMITS. 12/10 NB

SECTION 30 T.11S. R.3W. W.M.
Linn County
1" = 400'

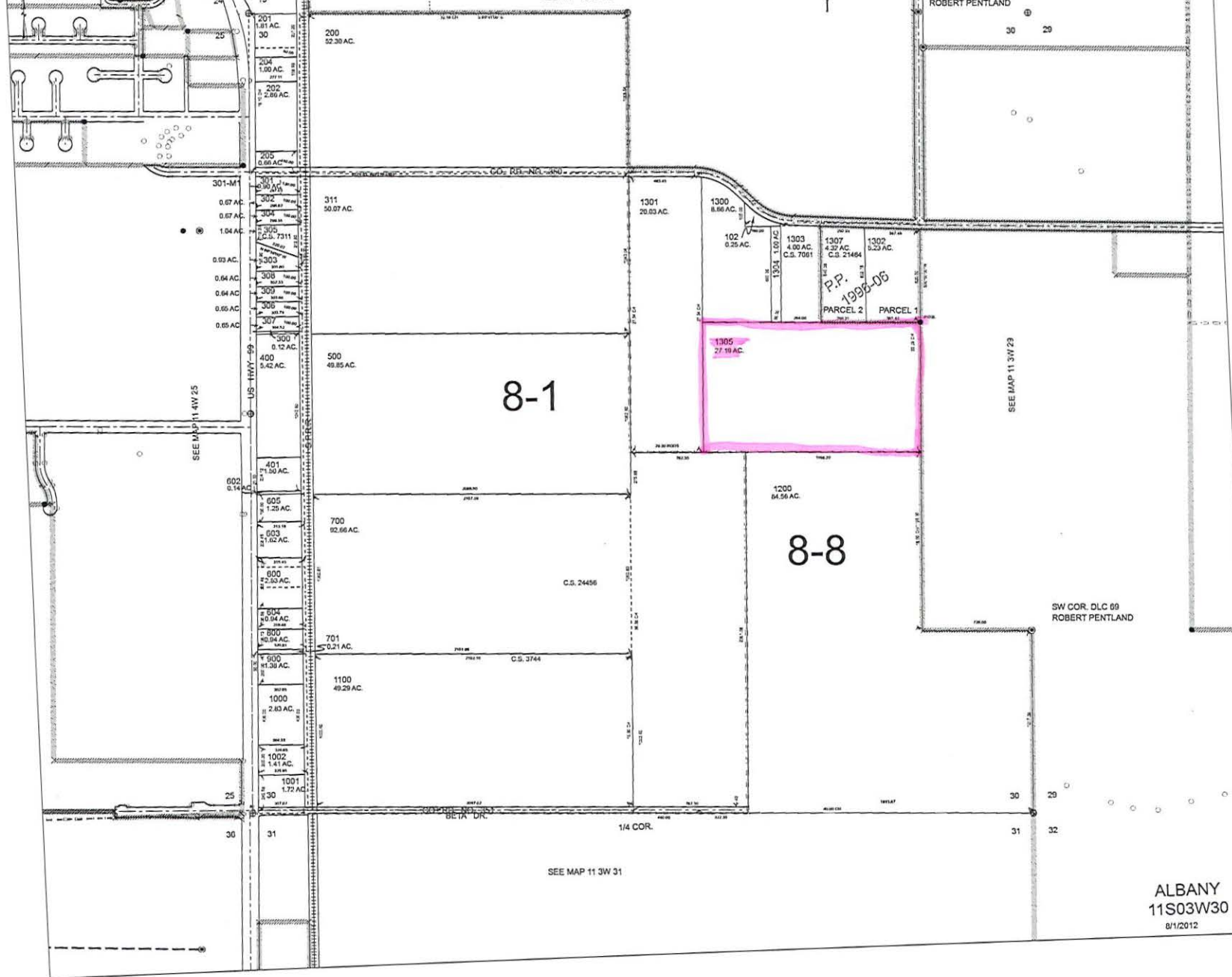
11S03W30
ALBANY

CANCELLED:
100
1306
1201

FOR ASSESSMENT AND
TAXATION ONLY

SEE MAP 11 3W 19

EXT. COR. DLC 09
ROBERT PENTLAND



8-1

8-8

SEE MAP 11 3W 23

SW COR. DLC 09
ROBERT PENTLAND

SEE MAP 11 3W 31

ALBANY
11S03W30
8/1/2012

TO

LINN County Assessor's Summary Report

Real Property Assessment Report

FOR ASSESSMENT YEAR 2017

March 27, 2018 11:13:48 am

Account # [REDACTED]
 Map # 11S03W30-00-01305
 Code - Tax # 00808-129391

Tax Status ASSESSABLE
 Acct Status ACTIVE
 Subtype NORMAL

Legal Descr See Record

Mailing Name GROSS JUSTIN

Deed Reference # 2017-19853
 Sales Date/Price 10-31-2017 / \$2,062,440.00
 Appraiser RUD DIANNE

Agent

In Care Of

Mailing Address 3483 BUENA VISTA RD S
 JEFFERSON, OR 97352

Prop Class 550 MA SA NH Unit
 RMV Class 400 02 00 003 12197-1

| | |
|------------------|------------|
| Situs Address(s) | Situs City |
|------------------|------------|

| | | Value Summary | | | | |
|------------------------|-------|---------------|-----|--------|---------------|-------|
| Code Area | | RMV | MAV | AV | RMV Exception | CPR % |
| 00808 | Land | 287,860 | | | Land | 0 |
| | Impr. | 0 | | | Impr. | 0 |
| Code Area Total | | 287,860 | 0 | 22,754 | | 0 |
| Grand Total | | 287,860 | 0 | 22,754 | | 0 |

| Land Breakdown | | | | | | | | | | | |
|--------------------|-----|-----|----|-----------|------------------|-----|----|-------|------------|-----------|----------|
| Code Area | ID# | RFD | Ex | Plan Zone | Value Source | TD% | LS | Size | Land Class | Irr Class | Irr Size |
| 00808 | 1 | R | | | Farm Use Unzoned | 122 | A | 27.19 | 3 | | |
| Grand Total | | | | | | | | 27.19 | | | 0.00 |

| Improvement Breakdown | | | | | | | | | | | |
|-----------------------|-----|----------|------------|-------------|-----------------------|-----|---------------|-----|-----------|-------------|---|
| Code Area | ID# | Yr Built | Stat Class | Description | Improvement Breakdown | TD% | Total Sq. Ft. | Ex% | MS Acct # | Trended RMV | |
| Grand Total | | | | | | | | | | | 0 |

| Exemptions/Special Assessments/Potential Liability | | | | | | | | | | | |
|--|--|--------|------|-----|------|--|--|--|--|--|--|
| Code Area | Type | | | | | | | | | | |
| NOTATION(S): | | | | | | | | | | | |
| | ■ POT'L ADD'L TAX LIABILITY ADDED 2009 | Amount | 0.00 | Tax | 0.00 | | | | | | |

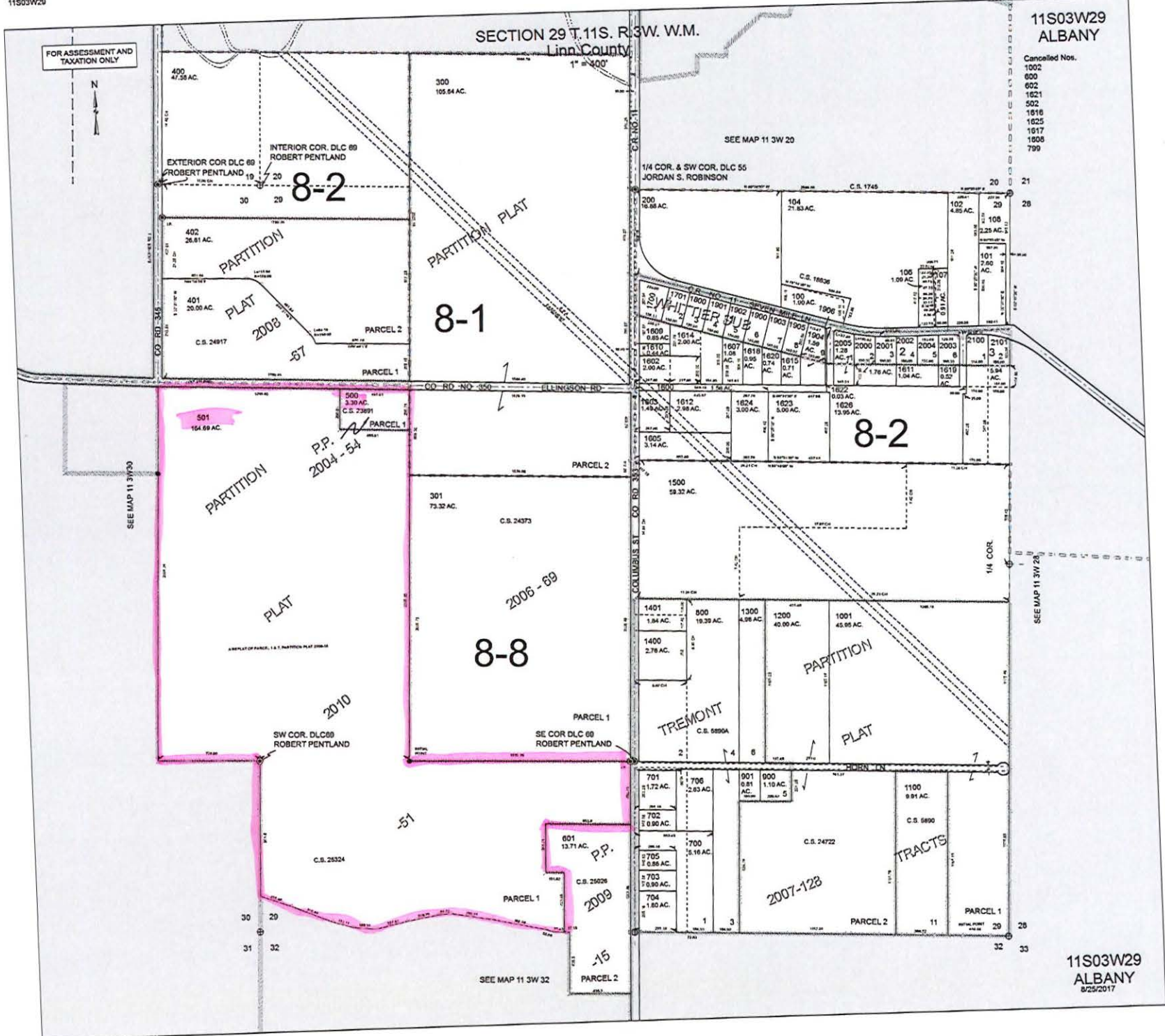
Comments: ***** CAP NOTE - Type J *****
 EV07-469: CODE CHANGE TO SPLIT CODE. 5.51AC TO TC8-51. 21.68AC IN TC 8-08.
 3/13/08 JDR
 EV09-184: CODE CHANGE FROM 8-51(SPLIT CODE) TO 8-08 PER DN2009-3384. 6/24/09
 JDR

SECTION 29 T.11S. R.3W. W.M.
Linn County

FOR ASSESSMENT AND
TAXATION ONLY



- Cancelled Nos.
- 1002
 - 600
 - 602
 - 1021
 - 502
 - 1616
 - 1625
 - 1617
 - 1608
 - 799



"TO"

LINN County Assessor's Summary Report

Real Property Assessment Report

FOR ASSESSMENT YEAR 2017

March 27, 2018 11:15:13 am

| | |
|---|---|
| Account # ██████████ Map # 11S03W29-00-00500 Code - Tax # 00808-128617 Legal Descr Metes & Bounds - See legal report for full description. Mailing Name EHRlich HUGO JR ESTATE OF Agent In Care Of Mailing Address 34344 COLUMBUS ST SE ALBANY, OR 97322-7204 | Tax Status ASSESSABLE Acct Status ACTIVE Subtype NORMAL Deed Reference # See Record Sales Date/Price See Record Appraiser RUD DIANNE |
|---|---|

| | | | | | |
|-------------------|-----|-----------|-----------|-----------|-------------|
| Prop Class | 549 | MA | SA | NH | Unit |
| RMV Class | 409 | 02 | 00 | 003 | 12119-1 |

| Situs Address(s) | Situs City |
|----------------------------|------------|
| ID# 3 1252 ELLINGSON RD SE | ALBANY |
| ID# 3 1252 ELLINGSON RD SE | ALBANY |

| Code Area | RMV | MAV | Value Summary AV | RMV Exception | CPR % |
|------------------------|----------------|---------------|------------------|---------------|----------|
| 00808 Land | 186,950 | | | Land | 0 |
| Impr. | 590 | | | Impr. | 0 |
| Code Area Total | 187,540 | 53,180 | 55,279 | | 0 |
| Grand Total | 187,540 | 53,180 | 55,279 | | 0 |

| Land Breakdown | | | | | | | | | | | |
|--------------------|-----|-----|----|-----------|------------------|-----|----|-------------|------------|-----------|-------------|
| Code Area | ID# | RFD | Ex | Plan Zone | Value Source | TD% | LS | Size | Land Class | Irr Class | Irr Size |
| 00808 | 7 | R | | | Farm Use Unzoned | 122 | A | 2.30 | 2 | | |
| 00808 | 3 | R | | | Market | 122 | A | 1.00 | | | |
| 00808 | | | | | RURAL OSD - AVG | 100 | | | | | |
| Grand Total | | | | | | | | 3.30 | | | 0.00 |

| Improvement Breakdown | | | | | | | | | | |
|-----------------------|-----|----------|------------|--------------------------------|-----|---------------|--------------|------------|---------------|--|
| Code Area | ID# | Yr Built | Stat Class | Description | TD% | Total Sq. Ft. | Ex% | MS Acct # | Trended RMV | |
| 00808 | 100 | 2002 | 452 | MS Double wide | 126 | 1,782 | | R - 886390 | 91,370 | |
| 00808 | 101 | 0 | 110 | Residential Other Improvements | 126 | 0 | | | 590 | |
| Grand Total | | | | | | | 1,782 | | 91,960 | |

| Exemptions/Special Assessments/Potential Liability | | | | | | | | | | |
|--|------|--|--------|-----|------|--|--|--|--|--|
| Code Area | Type | NOTATION(S): | Amount | Tax | 0.00 | | | | | |
| | | ■ POT'L ADD'L TAX LIABILITY ADDED 2009 | | | 0.00 | | | | | |

MS Account(s): 00808-R-886390
 *** The Real MS value is not included in the total of the real account

Comments: ***** CAP NOTE - Type J *****
 EV04-524: RECOMPUTATION PER C.S.23891 +3.09AC. REMAIN 109.04AC. SEG'D 105.74AC TO #897334-TL 501-NEW TAX LOT. 3.30AC REMAIN ON TL500. 12/13/04 JDR
 EV07-469: Code change from 8-08 to 8-51 per DN2007-22763. 3/5/08 jdr
 EV09-184: CODE CHANGE FROM 8-51T0 8-08 PER DN2009-3384. 6/24/09 JDR

***** CAP NOTE - Type R *****
 Permit for 27x66 2002 Palm Harbor on slab 10/16/03 GB//NEW MD HERE PRIOR TO 1/1/04. #886390. 4/1/04 JDR

LINN County Assessor's Summary Report

Real Property Assessment Report

FOR ASSESSMENT YEAR 2017

March 27, 2018 11:14:31 am

| | |
|---|--|
| Account # [REDACTED] Map # 11S03W29-00-00501 Code - Tax # 00808-897334 Legal Descr Metes & Bounds - See legal report for full description. Mailing Name GROSS JUSTIN Agent In Care Of Mailing Address 3483 BUENA VISTA RD S JEFFERSON, OR 97352 | Tax Status ASSESSABLE Acct Status ACTIVE Subtype NORMAL Deed Reference # 2017-19853 Sales Date/Price 10-31-2017 / \$2,062,440.00 Appraiser BAUER, NATALIE |
|---|--|

| | | | | | |
|-------------------|-----|-----------|-----------|-----------|-------------|
| Prop Class | 550 | MA | SA | NH | Unit |
| RMV Class | 400 | 02 | 00 | 003 | 62870-1 |

| | |
|-------------------------|-------------------|
| Situs Address(s) | Situs City |
|-------------------------|-------------------|

| Code Area | RMV | MAV | Value Summary AV | RMV Exception | CPR % |
|------------------------|------------------|----------|---------------------|---------------|----------|
| 00808 Land | 1,595,220 | | | Land | 0 |
| Impr. | 0 | | | Impr. | 0 |
| Code Area Total | 1,595,220 | 0 | 127,248 | | 0 |
| Grand Total | 1,595,220 | 0 | 127,248 | | 0 |

| Land Breakdown | | | | | | | | | | | |
|--------------------|-----|-----|----|-----------|------------------|-----|----|---------------|------------|-----------|-------------|
| Code Area | ID# | RFD | Ex | Plan Zone | Value Source | TD% | LS | Size | Land Class | Irr Class | Irr Size |
| 00808 | 4 | R | | | Farm Use Unzoned | 122 | A | 13.59 | 2 | | |
| 00808 | 5 | R | | | Farm Use Unzoned | 122 | A | 2.50 | 3 | | |
| 00808 | 6 | R | | | Farm Use Unzoned | 122 | A | 5.85 | 4 | | |
| 00808 | 1 | R | | | Farm Use Zoned | 122 | A | 89.81 | 2 | | |
| 00808 | 2 | R | | | Farm Use Zoned | 122 | A | 18.39 | 3 | | |
| 00808 | 3 | R | | | Farm Use Zoned | 122 | A | 34.55 | 4 | | |
| Grand Total | | | | | | | | 164.69 | | | 0.00 |

| Code Area | Yr Built | Stat Class | Description | Improvement Breakdown | TD% | Total Sq. Ft. | Ex% MS Acct # | Trended RMV |
|--------------------|----------|------------|-------------|-----------------------|-----|---------------|---------------|-------------|
| Grand Total | | | | | | | | 0 |

| Code Area | Type | Exemptions/Special Assessments/Potential Liability |
|---------------------|---------------|--|
| NOTATION(S): | | |
| | | ■ POT'L ADD'L TAX LIABILITY ADDED 2009 |
| | Amount | 0.00 Tax 0.00 |

Comments: ****SPLIT ZONING UGA-UGM AND EFU****

**** CAP NOTE - Type J *****
 EV04-524: SEG'D(NEW ACCT) 105.74AC FROM #128617-TL500. 21.62AC OF 105.74AC IS IN UGB ZONE. RMV REFLECTS VALUE.NO IMPS. 12/13/04 JDR
 EV2007-567: RETURNED TO FARM DEFERRAL FOR 2005 THRU 2007 DS 11/29/07
 EV07-469: Change code to split code: a portion of 8-08 (21.94ac) to code 8-51. Corrected soil class (est) per EllaMaps. 3/5/08 jdr
 EV09-122: Seg'd 63.34ac from TL600 #128625. 169.08ac remain. RMV/AV/MAV bal. 4/30/09 jdr
 EV09-184: CHANGE CODE 8-51 TO 8-08 PER DN2009-3384. 6/24/09 JDR
 3/16/11:lla w/acct 129698 and recomputed. all sav. NB



Oregon

Kate Brown, Governor

Water Resources Department

North Mall Office Building
725 Summer St NE, Suite A
Salem, OR 97301
Phone (503) 986-0900
Fax (503) 986-0904
www.Oregon.gov/OWRD

November 20, 2018

ESTATE OF HUGO W ERHLICH
SHERYL PETERSON PERSONAL REPRESENTATIVE
34344 SE COLUMBUS ST
ALBANY, OR 97322

REFERENCE: Ground Water Registration Modification Application T-12671

Enclosed is a copy of the final order approving recognition of your Ground Water Registration Modification application.

If you have any questions related to the approval of this application, you may contact your caseworker, Corey Courchane, by telephone at (503) 986-0825 or by e-mail at Corey.A.Courchane@oregon.gov.

Sincerely,

Stacy H. Phillips
Water Right Services Support
Transfers and Conservation Section

cc: Lanaya F. Blakely, Watermaster Dist. # 2 (via email)
K And D Engineering Inc., Agent
Weatherford Thompson, P.C., Edward Schultz
Linn County

Enclosure



**BEFORE THE WATER RESOURCES DEPARTMENT
OF THE
STATE OF OREGON**

| | | |
|---------------------------------------|---|-------------------------------|
| In the Matter of Ground Water |) | FINAL ORDER APPROVING |
| Registration Modification Application |) | RECOGNITION OF A MODIFICATION |
| T-12671, Linn County |) | IN PLACE OF USE |

Authority

Oregon Revised Statutes (ORS) 537.610, 537.705 and 540.505 to 540.580 establish the process in which the holder of a certificate of registration may submit a request for recognition of modifications to the place of use, character of use or point of appropriation under a ground water certificate of registration.

Oregon Administrative Rules (OAR) Chapter 690, Divisions 382 and 380 implement the statutes and provide the Department's procedures and criteria for evaluating ground water registration modification applications.

Applicant

THE ESTATE OF HUGO W. EHRLICH
BY SHERYL PETERSON AS PERSONAL REPRESENTATIVE
34344 SE COLUMBUS ST
ALBANY, OR 97321

Findings of Fact

1. On May 18, 2017, THE ESTATE OF HUGO W EHRLICH BY SHERYL PETERSON AS PERSONAL REPRESENTATIVE, filed a ground water registration modification application to modify the place of use under Registration Application GR-2208 (Certificate of Registration GR-2113). The Department assigned the application number T-12671.
2. On September 5, 2018, Registration Application GR-2208 (Certificate of Registration GR-2113) was assigned from HUGO W. and OLIVIA EHRLICH to Sheryl Peterson, Personal Representative of the Estate of Hugo W. Ehrlich.
3. Notice of the application for ground water registration modification was published on May 30, 2017, pursuant to OAR 690-382-0600. No comments were filed in response to the notice.

This final order is subject to judicial review by the Court of Appeals under ORS 183.482. Any petition for judicial review must be filed within the 60-day time period specified by ORS 183.482(1). Pursuant to ORS 536.075 and OAR 137-003-0675, you may petition for judicial review or petition the Director for reconsideration of this order. A petition for reconsideration may be granted or denied by the Director, and if no action is taken within 60 days following the date the petition was filed, the petition shall be deemed denied.

4. On March 27, 2018, the Department contacted the applicant by written correspondence to notify the applicant of the deficiencies in the application. The Department requested that the deficiencies be resolved by April 27, 2018. No response was received to the letter.
5. On June 12, 2018, the applicant's agent contacted the Department by telephone regarding the status of T-12671. The Department informed the agent that a Request for Assignment was needed in order to complete the Ground Water Registration Modification. The property containing the place of use to be modified is now owned by another land owner, and that it would take some time to resolve the issue.
6. On August 28, 2018, the Department contacted the applicant by written correspondence to notify the applicant of the deficiencies in the application. The Department requested that the deficiencies be resolved by October 12, 2018. No response was received to the letter.
7. On September 5, 2018, a Request for Assignment was submitted to the Department.
8. On September 18, 2018, the Department mailed a copy of the draft Preliminary Determination proposing to approve Transfer Application T-12671 to the applicant. The draft Preliminary Determination cover letter set forth a deadline of October 18, 2018, for the applicant to respond. The applicant requested that the Department proceed with issuance of a Preliminary Determination and provided the necessary information to demonstrate that the applicant is authorized to pursue the transfer.
9. On October 8, 2018, the Department issued a Preliminary Determination proposing to approve Ground Water Registration Modification T-12671 and mailed a copy to the applicant. Additionally, notice of the Preliminary Determination for the Ground Water Registration Modification was published on the Department's weekly notice on October 9, 2018, pursuant to ORS 540.520 and OAR 690-380-4020. No protests were filed in response to the notice.
10. The portion of the ground water registration to be modified is as follows:

Certificate: APPLICATION GR-2208 (CERTIFICATE OF REGISTRATION GR- 2113) in the name of HUGO W. AND OLIVIA H. EHRLICH
Use: IRRIGATION of 19.5 ACRES
Priority Date: OCTOBER 1, 1952
Rate: 175 GALLONS PER MINUTE (GPM)
Source: PUMP WELL

Authorized Point of Appropriation:

| Twp | Rng | Mer | Sec | Q-Q | Measured Distances |
|------|-----|-----|-----|-------|---|
| 11 S | 3 W | WM | 32 | NE NW | SOUTH 33 DEG 30 MIN WEST 9.5 CHAINS FROM THE NE CORNER, NW1/4 OF SECTION 32 |

Authorized Place of Use:

| IRRIGATION | | | | | |
|------------|-----|-----|-----|-------|-------|
| Twp | Rng | Mer | Sec | Q-Q | Acres |
| 11 S | 3 W | WM | 32 | NE NW | 15.5 |
| 11 S | 3 W | WM | 32 | SE NW | 4.0 |
| Total | | | | | 19.5 |

11. The Department received information from the applicant that better describes the location of the original point of appropriation as follows:

| Twp | Rng | Mer | Sec | Q-Q | Survey Coordinates |
|------|-----|-----|-----|-------|---|
| 11 S | 3 W | WM | 32 | NE NW | 370 FEET SOUTH AND 390 FEET WEST FROM THE N1/4 CORNER OF SECTION 32 |

12. Ground Water Registration Modification Application T-12671 proposes to modify the place of use under the ground water registration to:

| IRRIGATION | | | | | |
|------------|-----|-----|-----|-------|-------|
| Twp | Rng | Mer | Sec | Q-Q | Acres |
| 11 S | 3 W | WM | 29 | SW NW | 7.7 |
| 11 S | 3 W | WM | 30 | SE NE | 10.2 |
| 11 S | 3 W | WM | 30 | NE SE | 1.6 |
| Total | | | | | 19.5 |

Review Criteria for Ground Water Registration Modification Applications [OAR 690-382-0700(2)]

13. The proposed modification would not result in enlargement of the ground water registration.
14. The proposed modification would not result in a state Scenic Waterway not receiving previously available water during periods in which streamflows are less than the quantities determined by the Department to be necessary to meet the requirements of ORS 390.835.
15. The proposed modification would not result in injury to other water rights.

Conclusions of Law

The modification in place of use proposed in Ground Water Registration Modification T-12671 is consistent with the requirements of ORS 537.610, 537.705, 540.505 to 540.580 and OAR 690-382-1000.

Now, therefore, it is ORDERED:

1. The modification to Registration Application GR-2208 (Certificate of Registration GR-2113) proposed in Ground Water Registration Modification Application T-12671 is recognized. Recognition of the modification shall not be construed as a final determination of the right to appropriate ground water under the certificate of registration or modification. Such a determination will occur in an adjudication proceeding under ORS 537.670 to 537.695.

2. The use of the water is restricted to beneficial use at the place of use described, and is subject to all other conditions and limitations contained in Registration Application GR-2208 (Certificate of Registration GR-2113) and any related decree.
3. Water shall be acquired from the same aquifer (water source) as the original point of appropriation.
4. The former place of use of the modified ground water registration shall no longer receive water as part of the ground water certificate of registration.

Dated at Salem, Oregon this NOV 20 2018.



Dwight French, Water Right Services Administrator, for
Thomas M. Byler, Director
Oregon Water Resources Department

Mailing date: NOV 21 2018

Water Right Transfer Cover Sheet

Transfer T-12671

Transfer Specialist: Coney

Transfer Type: GR Modification

| | | |
|---|---|---|
| Applicant Name/Address: THE ESTATE OF HUGO W EHRlich BY SHERYL PERTERSON AS PERSONAL REPRESENTATIVE 34344 SE COLUMBUS ST ALBANY, OR 97321 | Agent Name/Address: IAN MCGUIRE 276 NW HICKORY DR NW ALBANY, OR 97321 <i>Ed Schultz - weatherford Thompson 180 West 1st Ave PO Box 667 Albany, OR 97321 e.schultz@wtlegal.com</i> | Rec Landowner Name/Address: |
| CWRE Name/Number: | Irr. District Name/Address: | Affected Gov'ts Name/Address: Linn County Planning Department |
| Commentors: Name/Address: | | Current Landowner Name/Address: |

Water Rights Affected

| Records Marked | Records Copied | App File No. or Decree Name | Permit No. | Certificate No. | RR/CR Needed | RR/CR Nos. |
|--------------------------|--------------------------|-----------------------------|------------|-----------------|---|------------|
| <input type="checkbox"/> | <input type="checkbox"/> | GR-2208 | | | <input type="checkbox"/> Yes <input checked="" type="checkbox"/> No | |
| <input type="checkbox"/> | <input type="checkbox"/> | | | | <input type="checkbox"/> Yes <input type="checkbox"/> No | |
| <input type="checkbox"/> | <input type="checkbox"/> | | | | <input type="checkbox"/> Yes <input type="checkbox"/> No | |

Key Dates & Initial Actions

| | | |
|---|----------------------------------|-------------------|
| Rec'd: May 18, 2017 | Proposed Action(s): PLACE OF USE | |
| Fees Pd: 875.00 | WM District: 2 | ODFW District: |
| Initial Notice: May 30, 2017 | WM Review sent: 5/24/17 | ODFW Review sent: |
| Acknowledgement Letter Sent <input checked="" type="checkbox"/> | | GW Review sent: |

Processing Dates & Actions

Deficiency Contacts: _____

DPD Mailed: 9/18/18

ODFW contact sheet sent with DPD, or N/A

WM measurement contact sheet sent, or N/A

PD Signed: 10-8-18

PD Weekly Notice: 10-9-18

Newspaper quote requested: NA

not required

Request for news \$ sent: _____

News \$ received: _____

Request to publish sent to newspaper: 10-8-18 - N/A - SP

Affidavit of publication received: _____

| DPD Review (Optional) | PD Review (Salem) | Final Order Review (Salem) |
|--|-------------------------|----------------------------|
| Reviewer: <u>AHA</u> | Reviewer: <u>Jan</u> | Reviewer: <u>Jan</u> |
| Date: <u>9/19/18</u> | Date: <u>9/27/2018</u> | Date: <u>11/8/2018</u> |
| Coordinator: <u>PKS</u> | Coordinator: <u>PKS</u> | Coordinator: <u>PKS</u> |
| Date: <u>9/19/18</u> | Date: <u>10/1/18</u> | Date: <u>11-19-18</u> |
| Comments/Special Issues: <u>A POU</u> | | |

Special Order Volume: Vol 109 Pages 1030-1033 Final Order Signature Date: 11-20-18

Notice of FO email'd to processors 11-21-18

✓

**Notice of Preliminary Determination for
Groundwater Registration Modification T-12671**

T-12671 filed by The Estate of Hugo W. Ehrlich by Sheryl Peterson as Personal Representative, 34344 SE Columbus St., Albany, OR 97321, proposes a change in place of use under Registration Application GR-2208 (Certificate of Registration GR-2113). The registration allows the use of 175 gallons per minute from a pump well in Sec. 32, T11S, R3W, WM for irrigation in Sec. 32, T11S, R3W, WM. The applicant proposes to change the place of use to Sects. 29 and 30, T11S, R3W, WM. The Water Resources Department proposes to approve the modification, based on the requirements of ORS Chapter 540 and OAR 690-382-1000.

Any person may protest the preliminary determination or may file a standing statement. Pursuant to OAR 690-380-4030(3) and OAR 690-382-9000, protests must raise all reasonably ascertainable issues and include all reasonably available arguments supporting the person's position. In addition, protests must be accompanied by the appropriate protest fees. Protests must be received by the Department on or before MM/DD/YYYY, or within 30 days of the last date of publication in a newspaper, whichever is later. If no protests are filed, the Department will issue a final order consistent with the preliminary determination.

**BEFORE THE WATER RESOURCES DEPARTMENT
OF THE
STATE OF OREGON**

| | | |
|---------------------------------------|---|-------------------------------|
| In the Matter of Ground Water |) | PRELIMINARY DETERMINATION |
| Registration Modification Application |) | PROPOSING APPROVAL OF |
| T-12671, Linn County |) | RECOGNITION OF A MODIFICATION |
| |) | IN PLACE OF USE |

Authority

Oregon Revised Statutes (ORS) 537.610, 537.705 and 540.505 to 540.580 establish the process in which the holder of a certificate of registration may submit a request for recognition of modifications to the place of use, character of use or point of appropriation under a ground water certificate of registration.

Oregon Administrative Rules (OAR) Chapter 690, Divisions 382 and 380 implement the statutes and provide the Department's procedures and criteria for evaluating ground water registration modification applications.

Applicant

THE ESTATE OF HUGO W. EHRLICH
BY SHERYL PETERSON AS PERSONAL REPRESENTATIVE
34344 SE COLUMBUS ST
ALBANY, OR 97321

Findings of Fact

1. On May 18, 2017, THE ESTATE OF HUGO W EHRLICH BY SHERYL PETERSON AS PERSONAL REPRESENTATIVE, filed a ground water registration modification application to modify the place of use under Registration Application GR-2208 (Certificate of Registration GR-2113). The Department assigned the application number T-12671.
2. On September 5, 2018, Registration Application GR-2208 (Certificate of Registration GR-2113) was assigned from HUGO W. and OLIVIA EHRLICH to Sheryl Peterson, Personal Representative of the Estate of Hugo W. Ehrlich.
3. Notice of the application for ground water registration modification was published on May 30, 2017, pursuant to OAR 690-382-0600. No comments were filed in response to the notice.

| |
|--|
| Pursuant to OAR 690-380-4030, any person may file a protest or standing statement within 30 days after the last date of publication of notice of this preliminary determination. |
|--|

4. On March 27, 2018, the Department contacted the applicant by written correspondence to notify the applicant of the deficiencies in the application. The Department requested that the deficiencies be resolved by April 27, 2018. No response was received to the letter.
5. On March 27, 2018, the Department contacted the applicant by written correspondence to notify the applicant of the deficiencies in the application. The Department requested that the deficiencies be resolved by April 27, 2018. No response was received to the letter.
6. On June 12, 2018, the applicant's agent contacted the Department by telephone regarding the status of T-12671. The Department informed the agent that a Request for Assignment was needed in order to complete the Ground Water Registration Modification. The property containing the place of use to be modified is now owned by another land owner, and that it would take some time to resolve the issue.
7. On August 28, 2018, the Department contacted the applicant by written correspondence to notify the applicant of the deficiencies in the application. The Department requested that the deficiencies be resolved by October 12, 2018. No response was received to the letter.
8. On September 5, 2018, a Request for Assignment was submitted to the Department.
9. On September 18, 2018, the Department mailed a copy of the draft Preliminary Determination proposing to approve Transfer Application T-12671 to the applicant. The draft Preliminary Determination cover letter set forth a deadline of October 18, 2018, for the applicant to respond. The applicant requested that the Department proceed with issuance of a Preliminary Determination and provided the necessary information to demonstrate that the applicant is authorized to pursue the transfer.
10. The portion of the ground water registration to be modified is as follows:

Certificate: APPLICATION GR-2208 (CERTIFICATE OF REGISTRATION GR- 2113) in the name of HUGO W. AND OLIVIA H. EHRlich
Use: IRRIGATION of 19.5 ACRES
Priority Date: OCTOBER 1, 1952
Rate: 175 GALLONS PER MINUTE (GPM)
Source: PUMP WELL

Authorized Point of Appropriation:

| Twp | Rng | Mer | Sec | Q-Q | Measured Distances |
|------|-----|-----|-----|-------|---|
| 11 S | 3 W | WM | 32 | NE NW | SOUTH 33 DEG 30 MIN WEST 9.5 CHAINS FROM THE NE CORNER, NW1/4 OF SECTION 32 |

Authorized Place of Use:

| IRRIGATION | | | | | |
|------------|-----|-----|-----|-------|-------|
| Twp | Rng | Mer | Sec | Q-Q | Acres |
| 11 S | 3 W | WM | 32 | NE NW | 15.5 |
| 11 S | 3 W | WM | 32 | SE NW | 4.0 |
| Total | | | | | 19.5 |

11. The Department received information that better describes the location of the original point of appropriation in Finding #5 as follows:

| Twp | Rng | Mer | Sec | Q-Q | Survey Coordinates |
|------|-----|-----|-----|-------|---|
| 11 S | 3 W | WM | 32 | NE NW | 370 FEET SOUTH AND 390 FEET WEST FROM THE N1/4 CORNER OF SECTION 32 |

12. Ground Water Registration Modification Application T-12671 proposes to modify the place of use under the ground water registration to:

| IRRIGATION | | | | | |
|------------|-----|-----|-----|-------|-------|
| Twp | Rng | Mer | Sec | Q-Q | Acres |
| 11 S | 3 W | WM | 29 | SW NW | 7.7 |
| 11 S | 3 W | WM | 30 | SE NE | 10.2 |
| 11 S | 3 W | WM | 30 | NE SE | 1.6 |
| Total | | | | | 19.5 |

Review Criteria for Ground Water Registration Modification Applications [OAR 690-382-0700(2)]

13. The proposed modification would not result in enlargement of the ground water registration.
14. The proposed modification would not result in a state Scenic Waterway not receiving previously available water during periods in which streamflows are less than the quantities determined by the Department to be necessary to meet the requirements of ORS 390.835.
15. The proposed modification would not result in injury to other water rights.

Determination and Proposed Action

The modification in place of use proposed in Ground Water Registration Modification T-12671 appears to be consistent with the requirements of ORS 537.610, 537.705, 540.505 to 540.580 and OAR 690-382-1000. If protests are not filed pursuant to OAR 690-382-0900, the modification will be approved.

If Ground Water Registration Modification T-12671 is approved, the final order will include the following:

1. *The modification to Registration Application GR-2208 (Certificate of Registration GR-2113) proposed in Ground Water Registration Modification Application T-12671 is recognized. Recognition of the modification shall not be construed as a final determination of the right to appropriate ground water under the certificate of registration or modification. Such a determination will occur in an adjudication proceeding under ORS 537.670 to 537.695.*
2. *The use of the water is restricted to beneficial use at the place of use described, and is subject to all other conditions and limitations contained in Registration Application GR-2208 (Certificate of Registration GR-2113) and any related decree.*
3. *Water shall be acquired from the same aquifer (water source) as the original point of appropriation.*

4. *The former place of use of the modified ground water registration shall no longer receive water as part of the ground water certificate of registration.*

Dated at Salem, Oregon this OCT 08 2018.



Dwight French, Water Right Services Administrator, for
Thomas M. Byler, Director
Oregon Water Resources Department

This Preliminary Determination was prepared by Corey Courchane. If you have questions about the information in this document, you may reach me at 503-986-0825 or corey.a.courchane@oregon.gov

Protests should be addressed to the attention of Water Rights Services Division, Water Resources Department, 725 Summer St. NE, Suite A, Salem, OR 97301-1266.

Notice Regarding Service Members: Active duty service members have a right to stay proceedings under the federal Service Members Civil Relief Act. 50 U.S.C. App. §§501-597b. You may contact the Oregon State Bar or the Oregon Military Department for more information. The toll-free telephone number for the Oregon State Bar is: 1 (800) 452-8260. The toll-free telephone number of the Oregon Military Department is: 1 (800) 452-7500. The Internet address for the United States Armed Forces Legal Assistance Legal Services Locator website is: <http://legalassistance.law.af.mil>



Oregon

Kate Brown, Governor

Water Resources Department

725 Summer St NE, Suite A

Salem, OR 97301

(503) 986-0900

Fax (503) 986-0904

October 8, 2018

THE ESTATE OF HUGO W. EHRLICH
BY SHERYL PETERSON AS PERSONAL REPRESENTATIVE
34344 SE COLUMBUS ST
ALBANY, OR 97321

SUBJECT: Ground Water Registration Modification T-12671

Please find enclosed the Preliminary Determination indicating that, based on the information available, the Department intends to approve application T-12671. This document is an intermediate step in the approval process; water may not be used legally as proposed in the ground water registration modification application until a Final Order has been issued by the Department. Please read this entire letter carefully to determine your responsibility for additional action.

A public notice is being published in the Department's weekly publication, simultaneously with issuance of the Preliminary Determination. The notice initiates a period in which any person may file either a protest opposing the decision proposed by the Department in the Preliminary Determination or a standing statement supporting the Department's decision. The protest period will end 30 days after the Department's notice.

If no protest is filed, the Department will issue a Final Order consistent with the Preliminary Determination. You should receive a copy of the Final Order about 30 days after the close of the protest period.

If a protest is filed, the application may be referred to a contested case proceeding. A contested case provides an opportunity for the proponents and opponents of the decision proposed in the Preliminary Determination to present information and arguments supporting their position in a quasi-judicial proceeding.

Please do not hesitate to contact me, at corey.a.courchane@oregon.gov or (503) 986-0825, if I may be of assistance.

Sincerely,

Corey Courchane
Transfer Specialist
Transfer and Conservation Section

cc: T-12671
Lanaya F. Blakely, District 2 Watermaster *(via e-mail)*
Ian McGuire, Agent for the applicant *(via e-mail)*
Edward F. Schultz, Attorney *(via e-mail)*

encs



130 WEST 1ST AVE.
P.O. BOX 667
ALBANY, OR 97321

PHONE: (541) 926-2255
FAX: (541) 967-6579
E-MAIL: eschultz@wtlegal.com
WEBSITE: www.wtlegal.com

September 26, 2018

VIA EMAIL: corey.a.courchane@oregon.gov

Corey Courchane
Transfer Specialist
Transfer & Conservation Section
Oregon Water Resources Department
725 Summer St NE, Suite A
Salem, OR 97301

RECEIVED
SEP 26 2018
OWRD

Re: Transfers T-12671 and T-12672

Dear Corey:

Attached please find letters constituting the written response which you previously approved. With the submittal of a letter for T-12671 and T-12672, I understand that your department will now issue the Preliminary Determination on both transfers. It is my further understanding that I will receive a copy of both Preliminary Determinations by email.

If there is anything further that you or your department require, please contact me immediately.

In closing, I would like to thank you for your patience, understanding and prompt response.

Very truly yours,


Edward F. Schultz

EFS:dar
Enclosures

cc: Client

N:\ATTY\EFS\EFS Clients\Ehrlich_Hugo\Water Rights\Ltr To Courchane 09-26-18.Docx



September 24, 2018

RECEIVED

SEP 26 2018

OWRD

State of Oregon
Water Resources Department
725 Summer St. NE, Suite A
Salem, OR 97301

Re: Water Right Transfer Application T-12671 ---

The undersigned is the Personal Representative of the Estate of Hugo W. Ehrlich, Jr., Linn County Circuit Court Case No. 21993. I have reviewed the terms of the Draft Preliminary Determination Proposing Approval of a Change in Place of Use dated September 19, 2018. I agree with the proposed action and the conditions set forth on the Draft Preliminary Determination, a copy of which is attached hereto and by this reference incorporated herein.

It is my understanding that upon receipt of this letter, the Water Resources Department will proceed to issue the Preliminary Determination, followed by publication of that Preliminary Determination for a thirty (30) day period, in which it may be received by the department.

If any questions or concerns occur, the Department should contact our Certified Water Rights Examiner, Ian McGuire, so that he can promptly respond.

If there are any further requirements of the Personal Representative, please do not hesitate to contact me or my attorney, Edward F. Schultz, whose contact information is already on file with your department.

Respectfully submitted,



Sheryl A. Peterson
Personal Representative of the
Estate of Hugo W. Ehrlich, Jr.

Enclosure



Oregon
Kate Brown, Governor

Water Resources Department
725 Summer St NE, Suite A
Salem, OR 97301
(503) 986-0900
Fax (503) 986-0904

September 19, 2018

THE ESTATE OF HUGO W EHRLICH
BY SHERYL PETERSON AS PERSONAL REPRESENTATIVE
34344 SE COLUMBUS ST
ALBANY, OR 97321

Reference: Ground Water Registration Modification T-12671

Your Ground Water Registration Modification is in one of three phases of processing. Enclosed is a draft of our Preliminary Determination regarding Ground Water Registration (GR) Modification Application T-12671. The document reflects the Department's conclusion that, based on the information currently available, the modification will be approved.

Items needed before the next phase of processing...

1. Please review the draft carefully to see if it accurately reflects the changes you intend to make, and to become familiar with all proposed conditions. **You will need to respond in writing** by the deadline provided below, whether you agree with the proposed action and conditions. Also we will appreciate having you let us know if there are typographical errors that need to be corrected.

What happens next...

Once the preliminary determination is issued a publication period is required. The Department will publish a notice in their weekly publication, which opens a 30-day period in which the modification can be protested.

Issuance of the Preliminary Determination will occur shortly after we receive:

1. your written response to the conditions and proposed action in the draft Preliminary Determination (e-mail is acceptable); and

If we do not receive the items listed above by October 18, 2018, a Preliminary Determination may be issued denying the application as incomplete.

Please do not hesitate to contact me, at corey.a.courchane@oregon.gov or (503) 986-0825, if I may be of assistance.

Sincerely,

A handwritten signature in blue ink, appearing to read "Corey Courchane". The signature is fluid and cursive, with a long horizontal stroke at the end.

Corey Courchane
Transfer Specialist
Transfer and Conservation Section

cc: GR Modification T-12671
Lanaya F. Blakely, District 2 Watermaster (*via e-mail*)
Ian McGuire, Agent for the applicant (*via e-mail*)
Ed Schultz, Attorney (*via e-mail*)

encs

**BEFORE THE WATER RESOURCES DEPARTMENT
OF THE
STATE OF OREGON**

In the Matter of Ground Water
Registration Modification Application
T-12671, Linn County

)
)
)
)
)
)

D R A F T
PRELIMINARY DETERMINATION
PROPOSING APPROVAL OF
RECOGNITION OF A MODIFICATION
IN PLACE OF USE

Authority

Oregon Revised Statutes (ORS) 537.610, 537.705 and 540.505 to 540.580 establish the process in which the holder of a certificate of registration may submit a request for recognition of modifications to the place of use, character of use or point of appropriation under a ground water certificate of registration.

Oregon Administrative Rules (OAR) Chapter 690, Divisions 382 and 380 implement the statutes and provide the Department's procedures and criteria for evaluating ground water registration modification applications.

Applicant

THE ESTATE OF HUGO W. EHRLICH
BY SHERYL PETERSON AS PERSONAL REPRESENTATIVE
34344 SE COLUMBUS ST
ALBANY, OR 97321

Findings of Fact

1. On May 18, 2017, THE ESTATE OF HUGO W EHRLICH BY SHERYL PETERSON AS PERSONAL REPRESENTATIVE, filed a ground water registration modification application to modify the place of use under Registration Application GR-2208 (Certificate of Registration GR-2113). The Department assigned the application number T-12671.
2. On September 5, 2018, Registration Application GR-2208 (Certificate of Registration GR-2113) was assigned from HUGO W. and OLIVIA EHRLICH to Sheryl Peterson, Personal Representative of the Estate of Hugo W. Ehrlich.
3. Notice of the application for ground water registration modification was published on May 30, 2017, pursuant to OAR 690-382-0600. No comments were filed in response to the notice.
4. On March 27, 2018, the Department contacted the applicant by written correspondence to notify the applicant of the deficiencies in the application. The Department requested that the deficiencies be resolved by April 27, 2018. No response was received to the letter.

5. On March 27, 2018, the Department contacted the applicant by written correspondence to notify the applicant of the deficiencies in the application. The Department requested that the deficiencies be resolved by April 27, 2018. No response was received to the letter.
6. On June 12, 2018, the applicant's agent contacted the Department by telephone regarding the status of T-12671. The Department informed the agent that a Request for Assignment was needed in order to complete the Ground Water Registration Modification. The property containing the place of use to be modified is now owned by another land owner, and that it would take some time to resolve the issue.
7. On August 28, 2018, the Department contacted the applicant by written correspondence to notify the applicant of the deficiencies in the application. The Department requested that the deficiencies be resolved by October 12, 2018. No response was received to the letter.
8. On September 5, 2018, a Request for Assignment was submitted to the Department.
9. The portion of the ground water registration to be modified is as follows:

Certificate: APPLICATION GR-2208 (CERTIFICATE OF REGISTRATION GR- 2113) in the name of HUGO W. AND OLIVIA H. EHRLICH

Use: IRRIGATION of 19.5 ACRES

Priority Date: OCTOBER 1, 1952

Rate: 175 GALLONS PER MINUTE (GPM)

Source: PUMP WELL

Authorized Point of Appropriation:

| Twp | Rng | Mer | Sec | Q-Q | Measured Distances |
|------|-----|-----|-----|-------|---|
| 11 S | 3 W | WM | 32 | NE NW | SOUTH 33 DEG 30 MIN WEST 9.5 CHAINS FROM THE NE CORNER, NW1/4 OF SECTION 32 |

Authorized Place of Use:

| IRRIGATION | | | | | |
|------------|-----|-----|-----|-------|-------|
| Twp | Rng | Mer | Sec | Q-Q | Acres |
| 11 S | 3 W | WM | 32 | NE NW | 15.5 |
| 11 S | 3 W | WM | 32 | SE NW | 4.0 |
| Total | | | | | 19.5 |

10. The Department received information that better describes the location of the original point of appropriation in Finding #5 as follows:

| Twp | Rng | Mer | Sec | Q-Q | Survey Coordinates |
|------|-----|-----|-----|-------|---|
| 11 S | 3 W | WM | 32 | NE NW | 370 FEET SOUTH AND 390 FEET WEST FROM THE N1/4 CORNER OF SECTION 32 |

11. Ground Water Registration Modification Application T-12671 proposes to modify the place of use under the ground water registration to:

| IRRIGATION | | | | | |
|------------|-----|-----|-----|-------|-------|
| Twp | Rng | Mer | Sec | Q-Q | Acres |
| 11 S | 3 W | WM | 29 | SW NW | 7.7 |
| 11 S | 3 W | WM | 30 | SE NE | 10.2 |
| 11 S | 3 W | WM | 30 | NE SE | 1.6 |
| Total | | | | | 19.5 |

Review Criteria for Ground Water Registration Modification Applications [OAR 690-382-0700(2)]

12. The proposed modification would not result in enlargement of the ground water registration.
13. The proposed modification would not result in a state Scenic Waterway not receiving previously available water during periods in which streamflows are less than the quantities determined by the Department to be necessary to meet the requirements of ORS 390.835.
14. The proposed modification would not result in injury to other water rights.

Determination and Proposed Action

The modification in place of use proposed in Ground Water Registration Modification T-12671 appears to be consistent with the requirements of ORS 537.610, 537.705, 540.505 to 540.580 and OAR 690-382-1000. If protests are not filed pursuant to OAR 690-382-0900, the modification will be approved.

If Ground Water Registration Modification T-12671 is approved, the final order will include the following:

1. *The modification to Registration Application GR-2208 (Certificate of Registration GR-2113) proposed in Ground Water Registration Modification Application T-12671 is recognized. Recognition of the modification shall not be construed as a final determination of the right to appropriate ground water under the certificate of registration or modification. Such a determination will occur in an adjudication proceeding under ORS 537.670 to 537.695.*
2. *The use of the water is restricted to beneficial use at the place of use described, and is subject to all other conditions and limitations contained in Registration Application GR-2208 (Certificate of Registration GR-2113) and any related decree.*
3. *Water shall be acquired from the same aquifer (water source) as the original point of appropriation.*

4. *The former place of use of the modified ground water registration shall no longer receive water as part of the ground water certificate of registration.*

Dated at Salem, Oregon this _____.

D R A F T

Dwight French, Water Right Services Administrator, for
Thomas M. Byler, Director
Oregon Water Resources Department

This draft Preliminary Determination was prepared by Corey Courchane. If you have questions about the information in this document, you may reach me at 503-986-0825 or corey.a.courchane@oregon.gov

September 10, 2018

VIA EMAIL: corey.a.courchane@oregon.gov
AND FIRST-CLASS MAIL

Corey A. Courchane
Transfer Specialist
Transfer and Conservation Section
Water Resources Department
725 Summer Street NE, Suite A
Salem, OR 97301

Re: Your File No. T-12671 and T-12672

Dear Corey:

Attached are the Lot Book Reports for T-12671 and T-12672. The letter and reports are being sent to you by both email and First-Class mail. The effective date of both reports is September 7, 2018.

If you need further information, please do not hesitate to contact me. If I am not available, please contact my legal assistant, Debbie. She will be the one who sends you the email so that you will have her contact information.

In closing, I would like to thank you and the others in your office who are working on these two transfers for their assistance and cooperation in this matter.

Very truly yours,



Edward F. Schultz

EFS:dar
Enclosures

cc: Client

RECEIVED

SEP 11 2018

OWRD

N:\ATTY\EFS\Estate\Ehrlich, Hugo\Courchane Ltr 09-10-18.Docx





First American

First American Title Insurance Company

2405 14th Avenue SE, Suite B
Albany, OR 97322
Phn - (541)926-8808
Fax - (866)847-2139

T-12671

LINN COUNTY TITLE UNIT
FAX (866)847-2139

Title Officer: David Trivett
(541)926-8808
dtrivett@firstam.com

LOT BOOK SERVICE

Weatherford Thompson
130 West 1st Ave., PO BOX 667
Albany, OR 97321

Order No.: 7099-3123650
September 07, 2018

Attn: Debbie Reimers
Phone No.: (541)926-2255 - Fax No.: (541)926-6579
Email: dreimers@wtlegal.com

Re: T-12671

Fee: \$275.00

We have searched our Tract Indices as to the following described property:

The land referred to in this report is described in Exhibit A attached hereto.

and as of August 28, 2018 at 8:00 a.m.

We find that the last deed of record runs to

Justin Gross, as to Tract A and

National Frozen Foods Corporation, a Washington corporation, as to Tract B

We find the following apparent encumbrances within ten (10) years prior to the effective date hereof:

THE FOLLOWING EXCEPTIONS AFFECTS TRACT A:

1. The assessment roll and the tax roll disclose that the within described premises were specially zoned or classified for Farm use. If the land has become or becomes disqualified for such use under the statute, an additional tax or penalty may be imposed.
2. Regulations, including levies, liens, assessments, rights of way and easements of the Linn Soil and Water Conservation District.
(Assessments, when levied, will be included in the Ad Valorem taxes.)

RECEIVED
SEP 11 2018
OWRD

3. The rights of the public in and to that portion of the premises herein described lying within the limits of streets, roads and highways.
4. Easement, including terms and provisions contained therein:
Recording Information: December 08, 1925 as Book 131, Page 490, Deed Records
In Favor of: The Pacific Telephone and Telegraph Company, its successors and assigns
For: Right of Way
5. Easement, including terms and provisions contained therein:
Recording Information: June 10, 1938 as Book 148, Page 54, Deed Records
In Favor of: The Pacific Telephone and Telegraph Company, a California Corporation
6. Easement, including terms and provisions contained therein:
Recording Information: July 19, 1971 as Volume 20, Page 40, Microfilm Records
In Favor of: Pacific Power & Light Company , a Corporation, its successors and assigns
For: Right of Way
7. Covenant, including terms and provisions thereof.
Recorded: December 16, 2010 as Instrument No. 2010-19770
8. Deed of Trust and the terms and conditions thereof.
Grantor/Trustor: Justin Gross
Grantee/Beneficiary: Citizens Bank
Trustee: First American Title
Amount: \$2,304,250.00
Recorded: October 31, 2017
Recording Information: Instrument No. 2017-19855
(Affects said land and other properties)

THE FOLLOWING EXCEPTIONS AFFECTS TRACT B:

9. The assessment roll and the tax roll disclose that the within described premises were specially zoned or classified for Farm use. If the land has become or becomes disqualified for such use under the statute, an additional tax or penalty may be imposed.
10. Regulations, including levies, liens, assessments, rights of way and easements of the Linn Soil and Water Conservation District.
(Assessments, when levied, will be included in the Ad Valorem taxes.)
11. The rights of the public in and to that portion of the premises herein described lying within the limits of streets, roads and highways.

- 12. Easement, including terms and provisions contained therein:
 Recording Information: December 08, 1925 as Book 131, Page 490, Deed Records
 In Favor of: The Pacific Telephone and Telegraph Company
 For: Poles and wires

- 13. Easement, including terms and provisions contained therein:
 Recording Information: June 10, 1938 as Book 148, Page 54, Deed Records
 In Favor of: The Pacific Telephone and Telegraph Company
 For: Poles and wires

- 14. Deed of Trust and Assignment of Rents.
 Grantor/Trustor: National Frozen Foods Corporation, a Washington corporation
 Grantee/Beneficiary: Northwest Farm Credit Services, PCA
 Trustee: Stewart Title Guaranty Company, a corporation
 Amount: \$141,000,000.00
 Recorded: February 28, 2013
 Recording Information: Instrument No. 2013-03388
 (Affects said land and other properties)

Modification and/or amendment by instrument:

Recording Information: August 09, 2018 as Instrument No. 2018-14154

We have also searched our General Index for Judgments and State and Federal Liens against the Grantee(s) named above and find:

NONE

We find the following unpaid taxes and city liens:

- 1. Taxes for the fiscal year 2018-2019 a lien due, but not yet payable.

NOTE: Taxes for the year 2017-2018 PAID IN FULL

Tax Amount: \$5,070.29
 Map No.: 11S03W29-00-00601
 Property ID: 400107
 Tax Code No.: 00808

(Affects a portion of Tract A)

NOTE: Taxes for the year 2017-2018 PAID IN FULL

Tax Amount: \$1,884.08
 Map No.: 11S03W29-00-00501
 Property ID: 897334
 Tax Code No.: 00808

(Affects a portion of Tract A and additional property)

NOTE: Taxes for the year 2017-2018 PAID IN FULL

Tax Amount: \$2,681.46
 Map No.: 11S03W32-00-00200
 Property ID: 129698
 Tax Code No.: 00808

(Affects Tract B)

RECEIVED

SEP 11 2018

OWRD

THIS IS NOT a title report since no examination has been made of the title to the above described property. Our search for apparent encumbrances was limited to our Tract Indices, and therefore above listings do not include additional matters which might have been disclosed by an examination of the record title. We assume no liability in connection with this Lot Book Service and will not be responsible for errors or omissions therein. The charge for this service will not include supplemental reports, rechecks or other services.

RECEIVED

SEP 11 2018

OWRD

Exhibit "A"

Real property in the County of Linn, State of Oregon, described as follows:

Tract A:

Parcel 2 of Partition Plat 2018-46, Record of Partition Plats, Linn County, Oregon.

Tract B:

Parcel 2 of Partition Plat 2010-51, Record of Partition Plats, Linn County, Oregon.

RECEIVED

SEP 11 2018

OWRD

8-1

PL

2008

87

C.S. 24917

PARCEL 2

PARCEL 1

GO RD NO 350 ELLINGSON RD

501
164.69 AC.

500
3.30 AC.
C.S. 23891

PARCEL 1

P.P.
2004-54

PARCEL 2

301
73.32 AC.

C.S. 24373

1600
2.00 AC.
1603
1.49 AC.
1605
3.14 AC.
1500
59.32

1609
0.85 AC.
1610
0.44 AC.

PARTITION

PLAT

A REPLAT OF PARCEL 1 & 2, PARTITION PLAT 2009-15

2006-69

8-8

2010

SW COR. DLC69
ROBERT PENTLAND

PARCEL 1
SE COR DLC 69
ROBERT PENTLAND

TREM

RECEIVED

SEP 11 2018

OWRD

C.S. 25324

601
13.71 AC.

P.P.

C.S. 25026

PARCEL 1

2009

15

SEE MAP 11 3W 32

PARCEL 2

701
1.72 AC.

702
0.90 AC.

705
0.86 AC.

703
0.90 AC.

704
1.80 AC.

70
5.11

SEE MAP 11 3W 30

SEE MAP 11 3W 30

30

31

29

32



77167 Easement. Filed December 8, 1925 at 1 o'clock P.M.
Ehrlich -to- The Pacific Telephone and Telegraph Company, Albany, Ore. Feb. 19, 1925.

FOR AND in consideration of the sum of One (\$1.00) Dollar, receipt whereof is hereby acknowledged, a right-of-way is hereby granted to The Pacific Telephone and Telegraph Company its successors and assigns, with the right to erect and maintain poles, with the necessary wires and fixtures thereon, and to keep same free from foliage across that certain property belonging to Herman & Helen Ehrlich and situated in the County of Linn, State of Oregon, and described as follows:

The S.E. 1/4 of the N.W. 1/4 of Sect. 32 Tp. 11 S. R. 2 E West of the Willasette Meridian, this right-of-way to place one ~~ANCHOR~~ near the South line of Property.

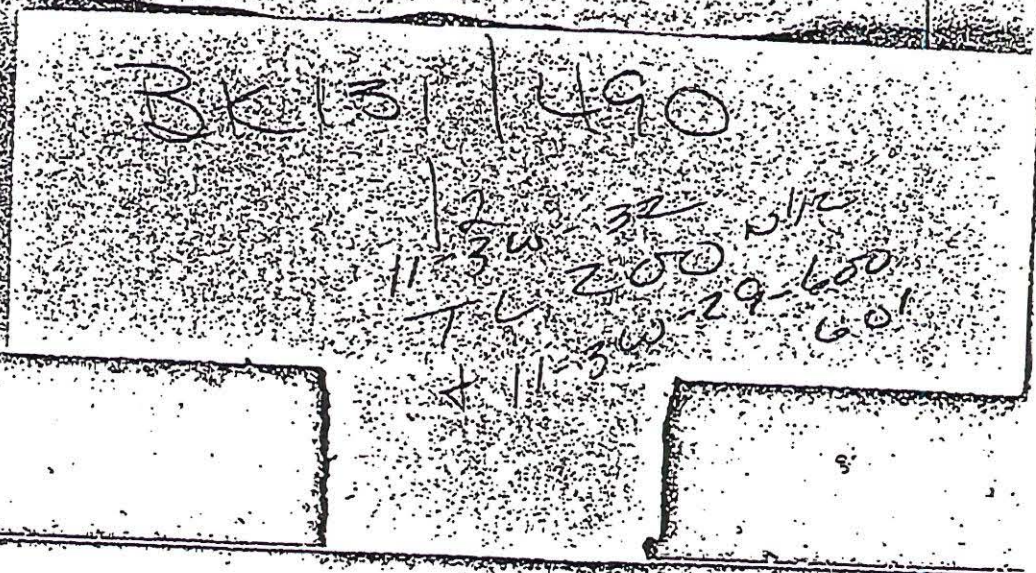
It is understood that the employes of said Telephone Company shall, at any time when necessary, have access to said right-of-way and the poles and wires thereon, for purposes of repairs, etc., provided always that said Telephone Company shall be responsible for any damage which may be unnecessarily done to the property above described.

Witness:
George H. Ehrlich, W. C. Kerron; For approved Herman Ehrlich
Robert Kote Helen Ehrlich
For General Attorney

GRK

STATE OF OREGON,
County of Linn,) ss. BE IT REMEMBERED, that on this 19th day of February, A.D. 1924, before me, the undersigned, a Notary Public in and for the said County and State, personally appeared the within named Herman Ehrlich & Helen Ehrlich who are known to me to be the identical individuals who executed the within instrument and acknowledged to me that they executed the same freely and voluntarily.

IN WITNESS WHEREOF, I have hereunto set my hand and Notarial seal the day and year last written above.
E. C. Kerron
Notary Public for Oregon
My commission expires Sept. 21st. 1928.



- 7
- 6
- 5
- 4
- 3
- 2
- 1

RECEIVED

SEP 11 2018

OWRD

2

#6154 Easement
George H. Ehrlich et ux
to
Pacific Telephone & Telegraph Co.
KNOW ALL MEN BY THESE PRESENTS:

Filed June 10th, 1938 at 8:00 o'clock A. M.
Stella E. Hoover, Recorder of Conveyances

BK 148/54 - (2) one by George
one by Herman

In consideration of Five Dollars (\$5.00), receipt whereof is hereby acknowledged, the undersigned hereby grants a perpetual easement to THE PACIFIC TELEPHONE AND TELEGRAPH COMPANY, a California corporation, with the right to place, construct, operate and maintain, inspect, reconstruct, repair, replace and keep clear One Anchor with wires, cables, fixtures and appurtenances attached thereto upon, across, over and/or under the following described property situated in Linn County, State of Oregon:

Anchor to be located in fence at south of property on west side of county road on property in S E 1/4 of N W 1/4 of Sec. 32 - T 11 S - R 3 W of W. M.

Grantee shall at all times have the right of full and free ingress to and egress from said property for all purposes herein mentioned, and to remove at any time any or all of the anchor and/or wires, cables, fixtures and appurtenances from the said property, with the understanding that grantee shall be responsible for all unnecessary damage it causes grantor by the exercise of the rights and privileges herein granted.

The rights, conditions and provisions of this easement shall inure to the benefit of and be binding upon the heirs, executors, administrators, successors and assigns of the respective parties hereto.

IN WITNESS WHEREOF, the undersigned, has executed this instrument this 4th day of May, 1938.

Witness:

John W. Cook

George H. Ehrlich
Alma Ehrlich

STATE OF OREGON)
County of Linn) ss.

On this day personally appeared before me George

H. Ehrlich and Alma Ehrlich, his wife, to me known to be the individuals described in and who executed the within and foregoing instrument, and acknowledged that they signed the same as their free and voluntary act and deed, for the uses and purposes therein mentioned.

Given under my hand and official seal this 3rd day of May, 1938.

John W. Cook, Notary Public in and for the State of Oregon, residing at Portland, Oregon.
My Commission Expires March 21, 1942.

Approved as to Form
Caray, Hart, Spencer and McCulloch
by Omar G. Spencer

(L. S.)

Herman

11-30-32 200 (KLL)
11-30-29 100 (KLL)

RECEIVED
SEP 11 2018
OWRD

RIGHT-OF-WAY EASEMENT
(Individual)

For value received, the undersigned, hereinafter referred to as Grantors, (whether singular or plural), do hereby grant to PACIFIC POWER & LIGHT COMPANY, a corporation, its successors and assigns, the Grantee, an easement or right-of-way for an electric transmission and distribution line of one or more wires and all necessary or desirable appurtenances (including telephones and telegraph wires, towers, poles, props, guys, anchors and other supports and the right to place all or any part of such line underground) at or near the location and along the general course now located and staked out by the Grantee over, across and upon the following described real property in _____ LINN _____ County, State of _____ OREGON _____, to wit:

A PORTION OF THE SOUTH 500 FEET OF THE EAST 500 FEET OF
THE SOUTHEAST 1/4 OF THE SOUTHWEST 1/4 OF SECTION 29, TOWNSHIP 11 SOUTH,
RANGE 3 WEST OF THE WILLAMETTE MERIDIAN.

RECEIVED

SEP 11 2018

OWRD

Together with the right of ingress and egress over the adjacent lands of the Grantors for the purpose of constructing, reconstructing, stringing new wires on, maintaining and removing such line and appurtenances, and exercising other rights hereby granted.

Grantors reserve the right to use said right-of-way for roads, agricultural crops or other purposes not inconsistent with the easement granted hereby, but in using or operating any irrigation pipes, motorized vehicles or other equipment, or in any other such use of said right-of-way, Grantors and Grantors' heirs or assigns, shall conform strictly to the provisions of any then applicable safety code or regulation pertaining to required clearances from the wires or conductors of such line.

All rights hereunder shall cease if and when such line shall have been abandoned.

Dated this 29 day of June, 1971.

Hugo Ehrlich, Jr. (SEAL) _____ (SEAL)
HUGO EHRLICH, JR. _____ (SEAL) _____ (SEAL)

STATE OF OREGON }
County of LINN } ss.

On this 29 day of JUNE, 1971, personally appeared before me a notary public in and for said State, the within named HUGO EHRLICH, JR. A SINGLE MAN

to me known to be the identical person described therein and who executed the foregoing instrument, and acknowledged to me that he executed the same freely and voluntarily for the uses and purposes therein mentioned.

IN WITNESS WHEREOF, I have hereunto set my hand and official seal the day and year above written.



Robert G. Newton
Notary Public for OREGON
Residing at ALBANY, OREGON
My commission expires: JAN. 3, 1975

RECORDATION REQUESTED BY:

Citizens Bank
West Albany Branch
2230 Pacific Blvd. SW
PO Box 1007
Albany, OR 97321

WHEN RECORDED MAIL TO:

Citizens Bank
Loan Service Center
PO Box 30
Corvallis, OR 97339-0030

SEND TAX NOTICES TO:

Justin Gross
3483 Buena Vista Road S
Jefferson, OR 97352

| | |
|---|------------------------|
| LINN COUNTY, OREGON | 2017-19855 |
| M-TD | 10/31/2017 02:14:15 PM |
| SIn=0 S. WILSON | |
| \$40.00 \$11.00 \$10.00 \$20.00 \$19.00 | \$100.00 |
| I, Steve Druckenmiller, County Clerk for Linn County, Oregon, certify that the instrument identified herein was recorded in the Clerk records | |
| Steve Druckenmiller - County Clerk | |

FOR RECORDER'S USE ONLY

DEED OF TRUST

THIS DEED OF TRUST is dated October 25, 2017, among Justin Gross, whose address is 3483 Buena Vista Road S, Jefferson, OR 97352 ("Grantor"); Citizens Bank, whose address is West Albany Branch, 2230 Pacific Blvd. SW, PO Box 1007, Albany, OR 97321 (referred to below sometimes as "Lender" and sometimes as "Beneficiary"); and First American Title, whose address is 2405 14th Avenue, SE, Albany, OR 97322 (referred to below as "Trustee").

CONVEYANCE AND GRANT. For valuable consideration, represented in the Note dated October 25, 2017, in the original principal amount of \$2,304,250.00, from Borrower to Lender, Grantor conveys to Trustee for the benefit of Lender as Beneficiary all of Grantor's right, title, and interest in and to the following described real property, together with all existing or subsequently erected or affixed buildings, improvements and fixtures; all easements, rights of way, and appurtenances; all water, water rights and ditch rights (including stock in utilities with ditch or irrigation rights); and all other rights, royalties, and profits relating to the real property, including without limitation all minerals, oil, gas, geothermal and similar matters, (the "Real Property") located in Linn County, State of Oregon:

See Exhibit "A", which is attached to this Deed of Trust and made a part of this Deed of Trust as if fully set forth herein.

The Real Property or its address is commonly known as 34344 Columbus Street SE, Albany, OR 97322.

CROSS-COLLATERALIZATION. In addition to the Note, this Deed of Trust secures all obligations, debts and liabilities, plus interest thereon, of either Grantor or Borrower to Lender, or any one or more of them, as well as all claims by Lender against Borrower and Grantor or any one or more of them, whether now existing or hereafter arising, whether related or unrelated to the purpose of the Note, whether voluntary or otherwise, whether due or not due, direct or indirect, determined or undetermined, absolute or contingent, liquidated or unliquidated, whether Borrower or Grantor may be liable individually or jointly with others, whether obligated as guarantor, surety, accommodation party or otherwise, and whether recovery upon such amounts may be or hereafter may become barred by any statute of limitations, and whether the obligation to repay such amounts may be or hereafter may become otherwise unenforceable.

Grantor presently assigns to Lender (also known as Beneficiary in this Deed of Trust) all of Grantor's right, title, and interest in and to all present and future leases of the Property and all Rents from the Property. In addition, Grantor grants to Lender a Uniform Commercial Code security interest in the Personal Property and Rents.

THIS DEED OF TRUST, INCLUDING THE ASSIGNMENT OF RENTS AND THE SECURITY INTEREST IN THE RENTS AND PERSONAL PROPERTY, IS GIVEN TO SECURE (A) PAYMENT OF THE INDEBTEDNESS AND (B) PERFORMANCE OF ANY AND ALL OBLIGATIONS UNDER THE NOTE, THE RELATED DOCUMENTS, AND THIS DEED OF TRUST. THIS DEED OF TRUST IS GIVEN AND ACCEPTED ON THE FOLLOWING TERMS:

GRANTOR'S REPRESENTATIONS AND WARRANTIES. Grantor warrants that: (a) this Deed of Trust is executed at Borrower's request and not at the request of Lender; (b) Grantor has the full power, right, and authority to enter into this Deed of Trust and to hypothecate the Property; (c) the provisions of this Deed of Trust do not conflict with, or result in a default under any agreement or other instrument binding upon Grantor and do not result in a violation of any law, regulation, court decree or order applicable to Grantor; (d) Grantor has established adequate means of obtaining from Borrower on a continuing basis information about Borrower's financial condition; and (e) Lender has made no representation to Grantor about Borrower (including without limitation the creditworthiness of Borrower).

GRANTOR'S WAIVERS. Grantor waives all rights or defenses arising by reason of any "one action" or "anti-deficiency" law, or any other law which may prevent Lender from bringing any action against Grantor, including a claim for deficiency to the extent Lender is otherwise entitled to a claim for deficiency, before or after Lender's commencement or completion of any foreclosure action, either judicially or by exercise of a power of sale.

PAYMENT AND PERFORMANCE. Except as otherwise provided in this Deed of Trust, Borrower and Grantor shall pay to Lender all indebtedness secured by this Deed of Trust as it becomes due, and Borrower and Grantor shall strictly perform all their respective obligations under the Note, this Deed of Trust, and the Related Documents.

POSSESSION AND MAINTENANCE OF THE PROPERTY. Borrower and Grantor agree that Borrower's and Grantor's possession and use of the Property shall be governed by the following provisions:

Possession and Use. Until the occurrence of an Event of Default, Grantor may (1) remain in possession and control of the Property; (2) use, operate or manage the Property; and (3) collect the Rents from the Property. The following provisions relate to the use of the Property or to other limitations on the Property. BEFORE SIGNING OR ACCEPTING THIS INSTRUMENT, THE PERSON TRANSFERRING FEE TITLE SHOULD INQUIRE ABOUT THE PERSON'S RIGHTS, IF ANY, UNDER ORS 195.300, 195.301 AND 195.305 TO 195.336 AND SECTIONS 5 TO 11, CHAPTER 424, OREGON LAWS 2007, SECTIONS 2 TO 9 AND 17, CHAPTER 855, OREGON LAWS 2009, AND SECTIONS 2 TO 7, CHAPTER 8, OREGON LAWS 2010. THIS INSTRUMENT DOES NOT ALLOW USE OF THE PROPERTY DESCRIBED IN THIS INSTRUMENT IN VIOLATION OF APPLICABLE LAND USE LAWS AND REGULATIONS. BEFORE SIGNING OR ACCEPTING THIS INSTRUMENT, THE PERSON ACQUIRING FEE TITLE TO THE PROPERTY SHOULD CHECK WITH THE APPROPRIATE CITY OR COUNTY PLANNING DEPARTMENT TO VERIFY THAT THE UNIT OF LAND BEING TRANSFERRED IS A LAWFULLY ESTABLISHED LOT OR PARCEL, AS DEFINED IN ORS 92.010 OR 215.010, TO VERIFY THE APPROVED USES OF THE LOT OR PARCEL, TO DETERMINE ANY LIMITS ON LAWSUITS AGAINST FARMING OR FOREST PRACTICES, AS DEFINED IN ORS 30.930, AND TO INQUIRE ABOUT THE RIGHTS OF NEIGHBORING PROPERTY OWNERS, IF ANY, UNDER ORS 195.300, 195.301 AND 195.305 TO 195.336 AND SECTIONS 5 TO 11, CHAPTER 424, OREGON LAWS 2007, SECTIONS 2 TO 9 AND 17, CHAPTER 855, OREGON LAWS 2009, AND SECTIONS 2 TO 7, CHAPTER 8, OREGON LAWS 2010.

Duty to Maintain. Grantor shall maintain the Property in tenantable condition and promptly perform all repairs, replacements, and maintenance necessary to preserve its value.

Compliance With Environmental Laws. Grantor represents and warrants to Lender that: (1) During the period of Grantor's ownership of the Property, there has been no use, generation, manufacture, storage, treatment, disposal, release or threatened release of any Hazardous Substance by any person on, under, about or from the Property; (2) Grantor has no knowledge of, or reason to believe that there has been, except as previously disclosed to and acknowledged by Lender in writing, (a) any breach or violation of any Environmental Laws, (b) any use, generation, manufacture, storage, treatment, disposal, release or threatened release of any Hazardous Substance on, under, about or from the Property by any prior owners or occupants of the Property, or (c) any actual or threatened litigation or claims of any kind by any person relating to such matters; and (3) Except as previously disclosed to and

FIRST AMERICAN 2716700

RECEIVED
SEP 11 2018
OWRD

DEED OF TRUST
(Continued)

Loan No: 139009070

Page 2

acknowledged by Lender in writing, (a) neither Grantor nor any tenant, contractor, agent or other authorized user of the Property shall use, generate, manufacture, store, treat, dispose of or release any Hazardous Substance on, under, about or from the Property; and (b) any such activity shall be conducted in compliance with all applicable federal, state, and local laws, regulations and ordinances, including without limitation all Environmental Laws. Grantor authorizes Lender and its agents to enter upon the Property to make such inspections and tests, at Grantor's expense, as Lender may deem appropriate to determine compliance of the Property with this section of the Deed of Trust. Any inspections or tests made by Lender shall be for Lender's purposes only and shall not be construed to create any responsibility or liability on the part of Lender to Grantor or to any other person. The representations and warranties contained herein are based on Grantor's due diligence in investigating the Property for Hazardous Substances. Grantor hereby (1) releases and waives any future claims against Lender for indemnity or contribution in the event Grantor becomes liable for cleanup or other costs under any such laws; and (2) agrees to indemnify, defend, and hold harmless Lender against any and all claims, losses, liabilities, damages, penalties, and expenses which Lender may directly or indirectly sustain or suffer resulting from a breach of this section of the Deed of Trust or as a consequence of any use, generation, manufacture, storage, disposal, release or threatened release occurring prior to Grantor's ownership or interest in the Property, whether or not the same was or should have been known to Grantor. The provisions of this section of the Deed of Trust, including the obligation to indemnify and defend, shall survive the payment of the Indebtedness and the satisfaction and reconveyance of the lien of this Deed of Trust and shall not be affected by Lender's acquisition of any interest in the Property, whether by foreclosure or otherwise.

Nuisance, Waste. Grantor shall not cause, conduct or permit any nuisance nor commit, permit, or suffer any stripping of or waste on or to the Property or any portion of the Property. Without limiting the generality of the foregoing, Grantor will not remove, or grant to any other party the right to remove, any timber, minerals (including oil and gas), coal, clay, scoria, soil, gravel or rock products without Lender's prior written consent.

Removal of Improvements. Grantor shall not demolish or remove any Improvements from the Real Property without Lender's prior written consent. As a condition to the removal of any Improvements, Lender may require Grantor to make arrangements satisfactory to Lender to replace such Improvements with Improvements of at least equal value.

Lender's Right to Enter. Lender and Lender's agents and representatives may enter upon the Real Property at all reasonable times to attend to Lender's interests and to inspect the Real Property for purposes of Grantor's compliance with the terms and conditions of this Deed of Trust.

Compliance with Governmental Requirements. Grantor shall promptly comply with all laws, ordinances, and regulations, now or hereafter in effect, of all governmental authorities applicable to the use or occupancy of the Property, including without limitation, the Americans With Disabilities Act. Grantor may contest in good faith any such law, ordinance, or regulation and withhold compliance during any proceeding, including appropriate appeals, so long as Grantor has notified Lender in writing prior to doing so and so long as, in Lender's sole opinion, Lender's interests in the Property are not jeopardized. Lender may require Grantor to post adequate security or a surety bond, reasonably satisfactory to Lender, to protect Lender's interest.

Duty to Protect. Grantor agrees neither to abandon or leave unattended the Property. Grantor shall do all other acts, in addition to those acts set forth above in this section, which from the character and use of the Property are reasonably necessary to protect and preserve the Property.

DUE ON SALE - CONSENT BY LENDER. Lender may, at Lender's option, declare immediately due and payable all sums secured by this Deed of Trust upon the sale or transfer, without Lender's prior written consent, of all or any part of the Real Property, or any interest in the Real Property. A "sale or transfer" means the conveyance of Real Property or any right, title or interest in the Real Property; whether legal, beneficial or equitable; whether voluntary or involuntary; whether by outright sale, deed, installment sale contract, land contract, contract for deed, leasehold interest with a term greater than three (3) years, lease-option contract, or by sale, assignment, or transfer of any beneficial interest in or to any land trust holding title to the Real Property, or by any other method of conveyance of an interest in the Real Property. However, this option shall not be exercised by Lender if such exercise is prohibited by federal law or by Oregon law.

TAXES AND LIENS. The following provisions relating to the taxes and liens on the Property are part of this Deed of Trust:

Payment. Grantor shall pay when due (and in all events prior to delinquency) all taxes, special taxes, assessments, charges (including water and sewer), fines and impositions levied against or on account of the Property, and shall pay when due all claims for work done on or for services rendered or material furnished to the Property. Grantor shall maintain the Property free of all liens having priority over or equal to the interest of Lender under this Deed of Trust, except for the lien of taxes and assessments not due and except as otherwise provided in this Deed of Trust.

Right to Contest. Grantor may withhold payment of any tax, assessment, or claim in connection with a good faith dispute over the obligation to pay, so long as Lender's interest in the Property is not jeopardized. If a lien arises or is filed as a result of nonpayment, Grantor shall within fifteen (15) days after the lien arises or, if a lien is filed, within fifteen (15) days after Grantor has notice of the filing, secure the discharge of the lien, or if requested by Lender, deposit with Lender cash or a sufficient corporate surety bond or other security satisfactory to Lender in an amount sufficient to discharge the lien plus any costs and attorneys' fees, or other charges that could accrue as a result of a foreclosure or sale under the lien. In any contest, Grantor shall defend itself and Lender and shall satisfy any adverse judgment before enforcement against the Property. Grantor shall name Lender as an additional obligee under any surety bond furnished in the contest proceedings.

Evidence of Payment. Grantor shall upon demand furnish to Lender satisfactory evidence of payment of the taxes or assessments and shall authorize the appropriate governmental official to deliver to Lender at any time a written statement of the taxes and assessments against the Property.

Notice of Construction. Grantor shall notify Lender at least fifteen (15) days before any work is commenced, any services are furnished, or any materials are supplied to the Property, if any mechanic's lien, materialmen's lien, or other lien could be asserted on account of the work, services, or materials. Grantor will upon request of Lender furnish to Lender advance assurances satisfactory to Lender that Grantor can and will pay the cost of such improvements.

PROPERTY DAMAGE INSURANCE. The following provisions relating to insuring the Property are a part of this Deed of Trust.

Maintenance of Insurance. Grantor shall procure and maintain policies of fire insurance with standard extended coverage endorsements on a replacement basis for the full insurable value covering all Improvements on the Real Property in an amount sufficient to avoid application of any coinsurance clause, and with a standard mortgagee clause in favor of Lender. Grantor shall also procure and maintain comprehensive general liability insurance in such coverage amounts as Lender may request with Trustee and Lender being named as additional insureds in such liability insurance policies. Additionally, Grantor shall maintain such other insurance, including but not limited to hazard, business interruption, and boiler insurance, as Lender may reasonably require. Policies shall be written in form, amounts, coverages and basis reasonably acceptable to Lender and issued by a company or companies reasonably acceptable to Lender. Grantor, upon request of Lender, will deliver to Lender from time to time the policies or certificates of insurance in form satisfactory to Lender, including stipulations that coverages will not be cancelled or diminished without at least ten (10) days prior written notice to Lender. Each insurance policy also shall include an endorsement providing that coverage in favor of Lender will not be impaired in any way by any act, omission or default of Grantor or any other person. Should the Real Property be located in an area designated by the Administrator of the Federal Emergency Management Agency as a special flood hazard area, Grantor agrees to obtain and maintain Federal Flood Insurance, if available, within 45 days after notice is given by Lender that the Property is located in a special flood hazard area, for the full unpaid principal balance of the loan and any prior liens on the property securing the loan, up to the maximum policy limits set under the National Flood Insurance Program, or as otherwise required by Lender, and to maintain such insurance for the term of the loan.

Application of Proceeds. Grantor shall promptly notify Lender of any loss or damage to the Property. Lender may make proof of loss if Grantor fails to do so within fifteen (15) days of the casualty. Whether or not Lender's security is impaired, Lender may, at Lender's election, receive and retain the proceeds of any insurance and apply the proceeds to the reduction of the Indebtedness, payment of any lien affecting the Property, or the restoration and repair of the Property. If Lender elects to apply the proceeds to restoration and repair, Grantor shall repair or replace the damaged or destroyed Improvements in a manner satisfactory to Lender. Lender shall, upon satisfactory proof of such expenditure, pay or reimburse Grantor from the proceeds for the reasonable cost of repair or restoration if Grantor is not in default under this Deed of Trust. Any proceeds which have not been disbursed within 180 days after their receipt and which Lender has not committed to the repair or restoration of the Property shall be used first to pay any amount owing to Lender.

RECEIVED

SEP 11 2018

OWRD

DEED OF TRUST
(Continued)

Loan No: 139009070

Page 3

under this Deed of Trust, then to pay accrued interest, and the remainder, if any, shall be applied to the principal balance of the Indebtedness. If Lender holds any proceeds after payment in full of the Indebtedness, such proceeds shall be paid to Grantor as Grantor's interests may appear.

Grantor's Report on Insurance. Upon request of Lender, however not more than once a year, Grantor shall furnish to Lender a report on each existing policy of insurance showing: (1) the name of the insurer; (2) the risks insured; (3) the amount of the policy; (4) the property insured, the then current replacement value of such property, and the manner of determining that value; and (5) the expiration date of the policy. Grantor shall, upon request of Lender, have an independent appraiser satisfactory to Lender determine the cash value replacement cost of the Property.

LENDER'S EXPENDITURES. If any action or proceeding is commenced that would materially affect Lender's interest in the Property or if Grantor fails to comply with any provision of this Deed of Trust or any Related Documents, including but not limited to Grantor's failure to discharge or pay when due any amounts Grantor is required to discharge or pay under this Deed of Trust or any Related Documents, Lender on Grantor's behalf may (but shall not be obligated to) take any action that Lender deems appropriate, including but not limited to discharging or paying all taxes, liens, security interests, encumbrances and other claims, at any time levied or placed on the Property and paying all costs for insuring, maintaining and preserving the Property. All such expenditures incurred or paid by Lender for such purposes will then bear interest at the rate charged under the Note from the date incurred or paid by Lender to the date of repayment by Grantor. All such expenses will become a part of the Indebtedness and, at Lender's option, will (A) be payable on demand; (B) be added to the balance of the Note and be apportioned among and be payable with any installment payments to become due during either (1) the term of any applicable insurance policy; or (2) the remaining term of the Note; or (C) be treated as a balloon payment which will be due and payable at the Note's maturity. The Deed of Trust also will secure payment of these amounts. Such right shall be in addition to all other rights and remedies to which Lender may be entitled upon Default.

WARRANTY; DEFENSE OF TITLE. The following provisions relating to ownership of the Property are a part of this Deed of Trust:

Title. Grantor warrants that: (a) Grantor holds good and marketable title of record to the Property in fee simple, free and clear of all liens and encumbrances other than those set forth in the Real Property description or in any title insurance policy, title report, or final title opinion issued in favor of, and accepted by, Lender in connection with this Deed of Trust, and (b) Grantor has the full right, power, and authority to execute and deliver this Deed of Trust to Lender.

Defense of Title. Subject to the exception in the paragraph above, Grantor warrants and will forever defend the title to the Property against the lawful claims of all persons. In the event any action or proceeding is commenced that questions Grantor's title or the interest of Trustee or Lender under this Deed of Trust, Grantor shall defend the action at Grantor's expense. Grantor may be the nominal party in such proceeding, but Lender shall be entitled to participate in the proceeding and to be represented in the proceeding by counsel of Lender's own choice, and Grantor will deliver, or cause to be delivered, to Lender such instruments as Lender may request from time to time to permit such participation.

Compliance With Laws. Grantor warrants that the Property and Grantor's use of the Property complies with all existing applicable laws, ordinances, and regulations of governmental authorities.

Survival of Representations and Warranties. All representations, warranties, and agreements made by Grantor in this Deed of Trust shall survive the execution and delivery of this Deed of Trust, shall be continuing in nature, and shall remain in full force and effect until such time as Borrower's Indebtedness shall be paid in full.

CONDEMNATION. The following provisions relating to condemnation proceedings are a part of this Deed of Trust:

Proceedings. If any proceeding in condemnation is filed, Grantor shall promptly notify Lender in writing, and Grantor shall promptly take such steps as may be necessary to defend the action and obtain the award. Grantor may be the nominal party in such proceeding, but Lender shall be entitled to participate in the proceeding and to be represented in the proceeding by counsel of its own choice, and Grantor will deliver or cause to be delivered to Lender such instruments and documentation as may be requested by Lender from time to time to permit such participation.

Application of Net Proceeds. If all or any part of the Property is condemned by eminent domain proceedings or by any proceeding or purchase in lieu of condemnation, Lender may at its election require that all or any portion of the net proceeds of the award be applied to the Indebtedness or the repair or restoration of the Property. The net proceeds of the award shall mean the award after payment of all reasonable costs, expenses, and attorneys' fees incurred by Trustee or Lender in connection with the condemnation.

IMPOSITION OF TAXES, FEES AND CHARGES BY GOVERNMENTAL AUTHORITIES. The following provisions relating to governmental taxes, fees and charges are a part of this Deed of Trust:

Current Taxes, Fees and Charges. Upon request by Lender, Grantor shall execute such documents in addition to this Deed of Trust and take whatever other action is requested by Lender to perfect and continue Lender's lien on the Real Property. Grantor shall reimburse Lender for all taxes, as described below, together with all expenses incurred in recording, perfecting or continuing this Deed of Trust, including without limitation all taxes, fees, documentary stamps, and other charges for recording or registering this Deed of Trust.

Taxes. The following shall constitute taxes to which this section applies: (1) a specific tax upon this type of Deed of Trust or upon all or any part of the Indebtedness secured by this Deed of Trust; (2) a specific tax on Borrower which Borrower is authorized or required to deduct from payments on the Indebtedness secured by this type of Deed of Trust; (3) a tax on this type of Deed of Trust chargeable against the Lender or the holder of the Note; and (4) a specific tax on all or any portion of the Indebtedness or on payments of principal and interest made by Borrower.

Subsequent Taxes. If any tax to which this section applies is enacted subsequent to the date of this Deed of Trust, this event shall have the same effect as an Event of Default, and Lender may exercise any or all of its available remedies for an Event of Default as provided below unless Grantor either (1) pays the tax before it becomes delinquent, or (2) contests the tax as provided above in the Taxes and Liens section and deposits with Lender cash or a sufficient corporate surety bond or other security satisfactory to Lender.

SECURITY AGREEMENT; FINANCING STATEMENTS. The following provisions relating to this Deed of Trust as a security agreement are a part of this Deed of Trust:

Security Agreement. This instrument shall constitute a Security Agreement to the extent any of the Property constitutes fixtures, and Lender shall have all of the rights of a secured party under the Uniform Commercial Code as amended from time to time.

Security Interest. Upon request by Lender, Grantor shall take whatever action is requested by Lender to perfect and continue Lender's security interest in the Rents and Personal Property. In addition to recording this Deed of Trust in the real property records, Lender may, at any time and without further authorization from Grantor, file executed counterparts, copies or reproductions of this Deed of Trust as a financing statement. Grantor shall reimburse Lender for all expenses incurred in perfecting or continuing this security interest. Upon default, Grantor shall not remove, sever or detach the Personal Property from the Property. Upon default, Grantor shall assemble any Personal Property not affixed to the Property in a manner and at a place reasonably convenient to Grantor and Lender and make it available to Lender within three (3) days after receipt of written demand from Lender to the extent permitted by applicable law.

Addresses. The mailing addresses of Grantor (debtor) and Lender (secured party) from which information concerning the security interest granted by this Deed of Trust may be obtained (each as required by the Uniform Commercial Code) are as stated on the first page of this Deed of Trust.

FURTHER ASSURANCES; ATTORNEY-IN-FACT. The following provisions relating to further assurances and attorney-in-fact are a part of this Deed of Trust:

Further Assurances. At any time, and from time to time, upon request of Lender, Grantor will make, execute and deliver, or will cause to be made, executed or delivered, to Lender or to Lender's designee, and when requested by Lender, cause to be filed, recorded, refiled, or rerecorded, as the case may be, at such times and in such offices and places as Lender may deem appropriate, any and all such mortgages, deeds of trust, security deeds, security agreements, financing statements, continuation statements, instruments of further assurance, certificates, and other documents as may, in the sole opinion of Lender, be necessary or desirable in order to effectuate, complete, perfect, continue, or preserve (1) Borrower's and Grantor's obligations under the Note, this Deed of Trust, and

RECEIVED
SEP 11 2018

OWRD

the Related Documents, and (2) the liens and security interests created by this Deed of Trust as first and prior liens on the Property, whether now owned or hereafter acquired by Grantor. Unless prohibited by law or Lender agrees to the contrary in writing, Grantor shall reimburse Lender for all costs and expenses incurred in connection with the matters referred to in this paragraph.

Attorney-in-Fact. If Grantor fails to do any of the things referred to in the preceding paragraph, Lender may do so for and in the name of Grantor and at Grantor's expense. For such purposes, Grantor hereby irrevocably appoints Lender as Grantor's attorney-in-fact for the purpose of making, executing, delivering, filing, recording, and doing all other things as may be necessary or desirable, in Lender's sole opinion, to accomplish the matters referred to in the preceding paragraph.

FULL PERFORMANCE. If Borrower and Grantor pay all the Indebtedness when due, and Grantor otherwise performs all the obligations imposed upon Grantor under this Deed of Trust, Lender shall execute and deliver to Trustee a request for full reconveyance and shall execute and deliver to Grantor suitable statements of termination of any financing statement on file evidencing Lender's security interest in the Rents and the Personal Property. Any reconveyance fee required by law shall be paid by Grantor, if permitted by applicable law.

EVENTS OF DEFAULT. Each of the following, at Lender's option, shall constitute an Event of Default under this Deed of Trust:

Payment Default. Borrower fails to make any payment when due under the Indebtedness.

Other Defaults. Borrower or Grantor fails to comply with or to perform any other term, obligation, covenant or condition contained in this Deed of Trust or in any of the Related Documents or to comply with or to perform any term, obligation, covenant or condition contained in any other agreement between Lender and Borrower or Grantor.

Compliance Default. Failure to comply with any other term, obligation, covenant or condition contained in this Deed of Trust, the Note or in any of the Related Documents.

Default on Other Payments. Failure of Grantor within the time required by this Deed of Trust to make any payment for taxes or insurance, or any other payment necessary to prevent filing of or to effect discharge of any lien.

Environmental Default. Failure of any party to comply with or perform when due any term, obligation, covenant or condition contained in any environmental agreement executed in connection with the Property.

Default in Favor of Third Parties. Should Borrower or any Grantor default under any loan, extension of credit, security agreement, purchase or sales agreement, or any other agreement, in favor of any other creditor or person that may materially affect any of Borrower's or any Grantor's property or Borrower's ability to repay the Indebtedness or Borrower's or Grantor's ability to perform their respective obligations under this Deed of Trust or any of the Related Documents.

False Statements. Any warranty, representation or statement made or furnished to Lender by Borrower or Grantor or on Borrower's or Grantor's behalf under this Deed of Trust or the Related Documents is false or misleading in any material respect, either now or at the time made or furnished or becomes false or misleading at any time thereafter.

Defective Collateralization. This Deed of Trust or any of the Related Documents ceases to be in full force and effect (including failure of any collateral document to create a valid and perfected security interest or lien) at any time and for any reason.

Death or Insolvency. The death of Borrower or Grantor, the insolvency of Borrower or Grantor, the appointment of a receiver for any part of Borrower's or Grantor's property, any assignment for the benefit of creditors, any type of creditor workout, or the commencement of any proceeding under any bankruptcy or insolvency laws by or against Borrower or Grantor.

Creditor or Forfeiture Proceedings. Commencement of foreclosure or forfeiture proceedings, whether by judicial proceeding, self-help, repossession or any other method, by any creditor of Borrower or Grantor or by any governmental agency against any property securing the Indebtedness. This includes a garnishment of any of Borrower's or Grantor's accounts, including deposit accounts, with Lender. However, this Event of Default shall not apply if there is a good faith dispute by Borrower or Grantor as to the validity or reasonableness of the claim which is the basis of the creditor or forfeiture proceeding and if Borrower or Grantor gives Lender written notice of the creditor or forfeiture proceeding and deposits with Lender monies or a surety bond for the creditor or forfeiture proceeding, in an amount determined by Lender, in its sole discretion, as being an adequate reserve or bond for the dispute.

Breach of Other Agreement. Any breach by Borrower or Grantor under the terms of any other agreement between Borrower or Grantor and Lender that is not remedied within any grace period provided therein, including without limitation any agreement concerning any indebtedness or other obligation of Borrower or Grantor to Lender, whether existing now or later.

Events Affecting Guarantor. Any of the preceding events occurs with respect to any guarantor, endorser, surety, or accommodation party of any of the Indebtedness or any guarantor, endorser, surety, or accommodation party dies or becomes incompetent, or revokes or disputes the validity of, or liability under, any Guaranty of the Indebtedness.

Adverse Change. A material adverse change occurs in Borrower's or Grantor's financial condition, or Lender believes the prospect of payment or performance of the Indebtedness is impaired.

Insecurity. Lender in good faith believes itself insecure.

Right to Cure. If any default, other than a default in payment, is curable and if Grantor has not been given a notice of a breach of the same provision of this Deed of Trust within the preceding twelve (12) months, it may be cured if Grantor, after Lender sends written notice to Borrower demanding cure of such default: (1) cures the default within thirty (30) days; or (2) if the cure requires more than thirty (30) days, immediately initiates steps which Lender deems in Lender's sole discretion to be sufficient to cure the default and thereafter continues and completes all reasonable and necessary steps sufficient to produce compliance as soon as reasonably practical.

RIGHTS AND REMEDIES ON DEFAULT. If an Event of Default occurs under this Deed of Trust, at any time thereafter, Trustee or Lender may exercise any one or more of the following rights and remedies:

Election of Remedies. Election by Lender to pursue any remedy shall not exclude pursuit of any other remedy, and an election to make expenditures or to take action to perform an obligation of Grantor under this Deed of Trust, after Grantor's failure to perform, shall not affect Lender's right to declare a default and exercise its remedies.

Accelerate Indebtedness. Lender shall have the right at its option without notice to Borrower or Grantor to declare the entire Indebtedness immediately due and payable, including any prepayment penalty which Borrower would be required to pay.

Foreclosure. With respect to all or any part of the Real Property, the Trustee shall have the right to foreclose by notice and sale, and Lender shall have the right to foreclose by judicial foreclosure, in either case in accordance with and to the full extent provided by applicable law. If this Deed of Trust is foreclosed by judicial foreclosure, Lender will be entitled to a judgment which will provide that if the foreclosure sale proceeds are insufficient to satisfy the judgment, execution may issue for the amount of the unpaid balance of the judgment.

UCC Remedies. With respect to all or any part of the Personal Property, Lender shall have all the rights and remedies of a secured party under the Uniform Commercial Code.

Collect Rents. Lender shall have the right, without notice to Borrower or Grantor to take possession of and manage the Property and collect the Rents, including amounts past due and unpaid, and apply the net proceeds, over and above Lender's costs, against the Indebtedness. In furtherance of this right, Lender may require any tenant or other user of the Property to make payments of rent or use fees directly to Lender. If the Rents are collected by Lender, then Grantor irrevocably designates Lender as Grantor's attorney-in-fact to endorse instruments received in payment thereof in the name of Grantor and to negotiate the same and collect the proceeds. Payments by tenants or other users to Lender in response to Lender's demand shall satisfy the obligations for which the payments are made, whether or not any proper grounds for the demand existed. Lender may exercise its rights under this subparagraph either in person, by agent, or through a receiver.

Appoint Receiver. Lender shall have the right to have a receiver appointed to take possession of all or any part of the Property, with the power to protect and preserve the Property, to operate the Property preceding foreclosure or sale, and to collect the Rents from the Property and apply the proceeds, over and above the cost of the receivership, against the Indebtedness. The receiver may serve without bond if permitted by law. Lender's right to the appointment of a receiver shall exist whether or not the apparent value of the

RECEIVED

SEP 11 2018

OWRD

DEED OF TRUST
(Continued)

Loan No: 139009070

Page 5

Property exceeds the Indebtedness by a substantial amount. Employment by Lender shall not disqualify a person from serving as a receiver.

Tenancy at Sufferance. If Grantor remains in possession of the Property after the Property is sold as provided above or Lender otherwise becomes entitled to possession of the Property upon default of Borrower or Grantor, Grantor shall become a tenant at sufferance of Lender or the purchaser of the Property and shall, at Lender's option, either (1) pay a reasonable rental for the use of the Property, or (2) vacate the Property immediately upon the demand of Lender.

Other Remedies. Trustee or Lender shall have any other right or remedy provided in this Deed of Trust or the Note or available at law or in equity.

Notice of Sale. Lender shall give Grantor reasonable notice of the time and place of any public sale of the Personal Property or of the time after which any private sale or other intended disposition of the Personal Property is to be made. Reasonable notice shall mean notice given at least fifteen (15) days before the time of the sale or disposition. Any sale of the Personal Property may be made in conjunction with any sale of the Real Property.

Sale of the Property. To the extent permitted by applicable law, Borrower and Grantor hereby waives any and all rights to have the Property marshalled. In exercising its rights and remedies, the Trustee or Lender shall be free to sell all or any part of the Property together or separately, in one sale or by separate sales. Lender shall be entitled to bid at any public sale on all or any portion of the Property.

Attorneys' Fees; Expenses. If Lender institutes any suit or action to enforce any of the terms of this Deed of Trust, Lender shall be entitled to recover such sum as the court may adjudge reasonable as attorneys' fees at trial and upon any appeal. Whether or not any court action is involved, and to the extent not prohibited by law, all reasonable expenses Lender incurs that in Lender's opinion are necessary at any time for the protection of its interest or the enforcement of its rights shall become a part of the Indebtedness payable on demand and shall bear interest at the Note rate from the date of the expenditure until repaid. Expenses covered by this paragraph include, without limitation, however subject to any limits under applicable law, Lender's attorneys' fees and Lender's legal expenses, whether or not there is a lawsuit, including attorneys' fees and expenses for bankruptcy proceedings (including efforts to modify or vacate any automatic stay or injunction), appeals, and any anticipated post-judgment collection services, the cost of searching records, obtaining title reports (including foreclosure reports), surveyors' reports, and appraisal fees, title insurance, and fees for the Trustee, to the extent permitted by applicable law. Grantor also will pay any court costs, in addition to all other sums provided by law.

Rights of Trustee. Trustee shall have all of the rights and duties of Lender as set forth in this section.

POWERS AND OBLIGATIONS OF TRUSTEE. The following provisions relating to the powers and obligations of Trustee are part of this Deed of Trust:

Powers of Trustee. In addition to all powers of Trustee arising as a matter of law, Trustee shall have the power to take the following actions with respect to the Property upon the written request of Lender and Grantor: (a) join in preparing and filing a map or plat of the Real Property, including the dedication of streets or other rights to the public; (b) join in granting any easement or creating any restriction on the Real Property; and (c) join in any subordination or other agreement affecting this Deed of Trust or the interest of Lender under this Deed of Trust.

Obligations to Notify. Trustee shall not be obligated to notify any other party of a pending sale under any other trust deed or lien, or of any action or proceeding in which Grantor, Lender, or Trustee shall be a party, unless the action or proceeding is brought by Trustee.

Trustee. Trustee shall meet all qualifications required for Trustee under applicable law. In addition to the rights and remedies set forth above, with respect to all or any part of the Property, the Trustee shall have the right to foreclose by notice and sale, and Lender shall have the right to foreclose by judicial foreclosure, in either case in accordance with and to the full extent provided by applicable law.

Successor Trustee. Lender, at Lender's option, may from time to time appoint a successor Trustee to any Trustee appointed under this Deed of Trust by an instrument executed and acknowledged by Lender and recorded in the office of the recorder of Linn County, State of Oregon. The instrument shall contain, in addition to all other matters required by state law, the names of the original Lender, Trustee, and Grantor, the book and page where this Deed of Trust is recorded, and the name and address of the successor trustee, and the instrument shall be executed and acknowledged by Lender or its successors in interest. The successor trustee, without conveyance of the Property, shall succeed to all the title, power, and duties conferred upon the Trustee in this Deed of Trust and by applicable law. This procedure for substitution of Trustee shall govern to the exclusion of all other provisions for substitution.

NOTICES. Any notice required to be given under this Deed of Trust, including without limitation any notice of default and any notice of sale shall be given in writing, and shall be effective when actually delivered, when actually received by telefacsimile (unless otherwise required by law), when deposited with a nationally recognized overnight courier, or, if mailed, when deposited in the United States mail, as first class, certified or registered mail postage prepaid, directed to the addresses shown near the beginning of this Deed of Trust. All copies of notices of foreclosure from the holder of any lien which has priority over this Deed of Trust shall be sent to Lender's address, as shown near the beginning of this Deed of Trust. Any party may change its address for notices under this Deed of Trust by giving formal written notice to the other parties, specifying that the purpose of the notice is to change the party's address. For notice purposes, Grantor agrees to keep Lender informed at all times of Grantor's current address. Unless otherwise provided or required by law, if there is more than one Grantor, any notice given by Lender to any Grantor is deemed to be notice given to all Grantors.

MISCELLANEOUS PROVISIONS. The following miscellaneous provisions are a part of this Deed of Trust:

Amendments. This Deed of Trust, together with any Related Documents, constitutes the entire understanding and agreement of the parties as to the matters set forth in this Deed of Trust. No alteration of or amendment to this Deed of Trust shall be effective unless given in writing and signed by the party or parties sought to be charged or bound by the alteration or amendment.

Annual Reports. If the Property is used for purposes other than Grantor's residence, Grantor shall furnish to Lender, upon request, a certified statement of net operating income received from the Property during Grantor's previous fiscal year in such form and detail as Lender shall require. "Net operating income" shall mean all cash receipts from the Property less all cash expenditures made in connection with the operation of the Property.

Caption Headings. Caption headings in this Deed of Trust are for convenience purposes only and are not to be used to interpret or define the provisions of this Deed of Trust.

Merger. There shall be no merger of the interest or estate created by this Deed of Trust with any other interest or estate in the Property at any time held by or for the benefit of Lender in any capacity, without the written consent of Lender.

Governing Law. This Deed of Trust will be governed by federal law applicable to Lender and, to the extent not preempted by federal law, the laws of the State of Oregon without regard to its conflicts of law provisions. This Deed of Trust has been accepted by Lender in the State of Oregon.

Choice of Venue. If there is a lawsuit, Grantor agrees upon Lender's request to submit to the jurisdiction of the courts of Linn County, State of Oregon.

Joint and Several Liability. All obligations of Borrower and Grantor under this Deed of Trust shall be joint and several, and all references to Lender shall mean each and every Grantor, and all references to Borrower shall mean each and every Borrower. This means that each Grantor signing below is responsible for all obligations in this Deed of Trust.

No Waiver by Lender. Lender shall not be deemed to have waived any rights under this Deed of Trust unless such waiver is given in writing and signed by Lender. No delay or omission on the part of Lender in exercising any right shall operate as a waiver of such right or any other right. A waiver by Lender of a provision of this Deed of Trust shall not prejudice or constitute a waiver of Lender's right otherwise to demand strict compliance with that provision or any other provision of this Deed of Trust. No prior waiver by Lender, nor any course of dealing between Lender and Grantor, shall constitute a waiver of any of Lender's rights or of any of Grantor's obligations as to any future transactions. Whenever the consent of Lender is required under this Deed of Trust, the granting

RECEIVED

SEP 11 2018

OWRD

DEED OF TRUST
(Continued)

Loan No: 139009070

Page 6

of such consent by Lender in any instance shall not constitute continuing consent to subsequent instances where such consent is required and in all cases such consent may be granted or withheld in the sole discretion of Lender.

Severability. If a court of competent jurisdiction finds any provision of this Deed of Trust to be illegal, invalid, or unenforceable as to any circumstance, that finding shall not make the offending provision illegal, invalid, or unenforceable as to any other circumstance. If feasible, the offending provision shall be considered modified so that it becomes legal, valid and enforceable. If the offending provision cannot be so modified, it shall be considered deleted from this Deed of Trust. Unless otherwise required by law, the illegality, invalidity, or unenforceability of any provision of this Deed of Trust shall not affect the legality, validity or enforceability of any other provision of this Deed of Trust.

Successors and Assigns. Subject to any limitations stated in this Deed of Trust on transfer of Grantor's interest, this Deed of Trust shall be binding upon and inure to the benefit of the parties, their successors and assigns. If ownership of the Property becomes vested in a person other than Grantor, Lender, without notice to Grantor, may deal with Grantor's successors with reference to this Deed of Trust and the indebtedness by way of forbearance or extension without releasing Grantor from the obligations of this Deed of Trust or liability under the Indebtedness.

Time is of the Essence. Time is of the essence in the performance of this Deed of Trust.

Waive Jury. All parties to this Deed of Trust hereby waive the right to any jury trial in any action, proceeding, or counterclaim brought by any party against any other party.

Waiver of Homestead Exemption. Grantor hereby releases and waives all rights and benefits of the homestead exemption laws of the State of Oregon as to all Indebtedness secured by this Deed of Trust.

Commercial Deed of Trust. Grantor agrees with Lender that this Deed of Trust is a commercial deed of trust and that Grantor will not change the use of the Property without Lender's prior written consent.

DEFINITIONS. The following capitalized words and terms shall have the following meanings when used in this Deed of Trust. Unless specifically stated to the contrary, all references to dollar amounts shall mean amounts in lawful money of the United States of America. Words and terms used in the singular shall include the plural, and the plural shall include the singular, as the context may require. Words and terms not otherwise defined in this Deed of Trust shall have the meanings attributed to such terms in the Uniform Commercial Code:

Beneficiary. The word "Beneficiary" means Citizens Bank, and its successors and assigns.

Borrower. The word "Borrower" means Justin A. Gross and Sarah M. Gross and includes all co-signers and co-makers signing the Note and all their successors and assigns.

Deed of Trust. The words "Deed of Trust" mean this Deed of Trust among Grantor, Lender, and Trustee, and includes without limitation all assignment and security interest provisions relating to the Personal Property and Rents.

Default. The word "Default" means the Default set forth in this Deed of Trust in the section titled "Default".

Environmental Laws. The words "Environmental Laws" mean any and all state, federal and local statutes, regulations and ordinances relating to the protection of human health or the environment, including without limitation the Comprehensive Environmental Response, Compensation, and Liability Act of 1980, as amended, 42 U.S.C. Section 9601, et seq. ("CERCLA"), the Superfund Amendments and Reauthorization Act of 1986, Pub. L. No. 99-499 ("SARA"), the Hazardous Materials Transportation Act, 49 U.S.C. Section 1801, et seq., the Resource Conservation and Recovery Act, 42 U.S.C. Section 6901, et seq., or other applicable state or federal laws, rules, or regulations adopted pursuant thereto or intended to protect human health or the environment.

Event of Default. The words "Event of Default" mean any of the events of default set forth in this Deed of Trust in the events of default section of this Deed of Trust.

Grantor. The word "Grantor" means Justin Gross.

Guaranty. The word "Guaranty" means the guaranty from guarantor, endorser, surety, or accommodation party to Lender, including without limitation a guaranty of all or part of the Note.

Hazardous Substances. The words "Hazardous Substances" mean materials that, because of their quantity, concentration or physical, chemical or infectious characteristics, may cause or pose a present or potential hazard to human health or the environment when improperly used, treated, stored, disposed of, generated, manufactured, transported or otherwise handled. The words "Hazardous Substances" are used in their very broadest sense and include without limitation any and all hazardous or toxic substances, materials or waste as defined by or listed under the Environmental Laws. The term "Hazardous Substances" also includes, without limitation, petroleum, including crude oil and any fraction thereof and asbestos.

Improvements. The word "Improvements" means all existing and future improvements, buildings, structures, mobile homes affixed on the Real Property, facilities, additions, replacements and other construction on the Real Property.

Indebtedness. The word "Indebtedness" means all principal, interest, and other amounts, costs and expenses payable under the Note or Related Documents, together with all renewals of, extensions of, modifications of, consolidations of and substitutions for the Note or Related Documents and any amounts expended or advanced by Lender to discharge Grantor's obligations or expenses incurred by Trustee or Lender to enforce Grantor's obligations under this Deed of Trust, together with interest on such amounts as provided in this Deed of Trust. Specifically, without limitation, Indebtedness includes all amounts that may be indirectly secured by the Cross-Collateralization provision of this Deed of Trust.

Lender. The word "Lender" means Citizens Bank, its successors and assigns.

Note. The word "Note" means the promissory note dated October 25, 2017, in the original principal amount of \$2,304,250.00 from Borrower to Lender, together with all renewals of, extensions of, modifications of, refinancings of, consolidations of, and substitutions for the promissory note or agreement. The maturity date of the Note is October 10, 2032.

Personal Property. The words "Personal Property" mean all equipment, fixtures, and other articles of personal property now or hereafter owned by Grantor, and now or hereafter attached or affixed to the Real Property; together with all acccessions, parts, and additions to, all replacements of, and all substitutions for, any of such property; and together with all proceeds (including without limitation all insurance proceeds and refunds of premiums) from any sale or other disposition of the Property. However, should the Real Property be located in an area designated by the Administrator of the Federal Emergency Management Agency as a special flood hazard area, Personal Property is limited to only those items specifically covered (currently or hereafter) by Coverage A of the standard flood insurance policy issued in accordance with the National Flood Insurance Program or under equivalent coverage similarly issued by a private insurer to satisfy the National Flood Insurance Act (as amended).

Property. The word "Property" means collectively the Real Property and the Personal Property.

Real Property. The words "Real Property" mean the real property, interests and rights, as further described in this Deed of Trust.

Related Documents. The words "Related Documents" mean all promissory notes, credit agreements, loan agreements, environmental agreements, guaranties, security agreements, mortgages, deeds of trust, security deeds, collateral mortgages, and all other instruments, agreements and documents, whether now or hereafter existing, executed in connection with the Indebtedness.

Rents. The word "Rents" means all present and future rents, revenues, income, issues, royalties, profits, and other benefits derived from the Property.

Trustee. The word "Trustee" means First American Title, whose address is 2405 14th Avenue, SE, Albany, OR 97322 and any substitute or successor trustees.

GRANTOR ACKNOWLEDGES HAVING READ ALL THE PROVISIONS OF THIS DEED OF TRUST, AND GRANTOR AGREES TO ITS TERMS.

RECEIVED

SEP 11 2018

OWRD

GRANTOR:

X [Signature]
Justin Gross

INDIVIDUAL ACKNOWLEDGMENT

STATE OF OREGON
COUNTY OF LINN

)
) SS
)



On this day before me, the undersigned Notary Public, personally appeared Justin Gross, to me known to be the individual described in and who executed the Deed of Trust, and acknowledged that he or she signed the Deed of Trust as his or her free and voluntary act and deed, for the uses and purposes therein mentioned.

Given under my hand and official seal this 30TH day of Oct, 20 17.
By [Signature] Residing at AUBANY, OR
Notary Public in and for the State of OREGON My commission expires 6-1-2020

REQUEST FOR FULL RECONVEYANCE
(To be used only when obligations have been paid in full)

To: _____, Trustee

The undersigned is the legal owner and holder of all indebtedness secured by this Deed of Trust. All sums secured by this Deed of Trust have been fully paid and satisfied. You are hereby directed, upon payment to you of any sums owing to you under the terms of this Deed of Trust or pursuant to any applicable statute, to cancel the Note secured by this Deed of Trust (which is delivered to you together with this Deed of Trust), and to reconvey, without warranty, to the parties designated by the terms of this Deed of Trust, the estate now held by you under this Deed of Trust. Please mail the reconveyance and Related Documents to:

Date: _____

Beneficiary: _____

By: _____

Its: _____

RECEIVED

SEP 11 2018

OWRD

Exhibit "A"

Parcel I:

Parcel 1 of Partition Plat No. 2010-51, Record of Partition Plats, Linn County, Oregon.

Parcel II:

INTENTIONALLY OMITTED

Parcel III:

Parcel 2 of Partition Plat No. 2009-15, Record of Partition Plats, Linn County, Oregon.

Parcel IV:

Beginning at a 1/2 inch iron rod South 0°20' West 31.25 chains from the Southwest corner of the West Projection of the Robert Pentland Donation Land Claim No. 69 in Township 11 South, Range 3 West of the Willamette Meridian, Linn County, Oregon, said 1/2 inch rod being 11.00 chains West of the West line of the South projection of said Donation Land Claim No. 69; thence North 89°39' West 21.91 chains to a point 7.325 chains East of the West line of the East half of Section 30 in said Township and Range; thence Southerly parallel to the West line of the East half of said Section 30, a distance of 13.06 chains to a point 36.38 chains North of the South Line of said Section 30, thence Easterly parallel to the South line of said Section 30, a distance of 21.895 chains to a point 11.00 chains West of the West line of the South projection of said Donation Land Claim No. 69, thence North 0°20' East 13.06 chains to the place of beginning.

NOTE: This Legal Description was created prior to January 01, 2008.

RECEIVED

SEP 11 2018

OWRD

LINN COUNTY, OREGON 2013-03388
M-TD
Cnt=4 Stn=1 COUNTER 02/28/2013 08:35:10 AM
\$150.00 \$15.00 \$11.00 \$15.00 \$19.00 \$220.00
00198048201300033880300301

Return Address:
Northwest Farm Credit Services, PCA
1501 E. Yonezawa Blvd
Moses Lake, WA 98837
Attention: Tanyaa Zimbelman

I, Steve Druckenmiller, County Clerk for Linn County, Oregon, certify that the instrument identified herein was recorded in the Clerk records.

Steve Druckenmiller - County Clerk



National Frozen Foods Corporation
Customer No. 79027

**DEED OF TRUST, ASSIGNMENT OF RENTS, SECURITY AGREEMENT AND
FIXTURE FILING**

**THIS DEED OF TRUST IS ALSO INTENDED TO BE A SECURITY AGREEMENT
AND A FIXTURE FILING.**

This Deed of Trust, Assignment of Rents, Security Agreement and Fixture Filing (this "Deed of Trust"), dated as of February 22, 2013, is executed by NATIONAL FROZEN FOODS CORPORATION, a Washington corporation ("Grantor"), whose address is c/o Pasco Processing LLC, P.O. Box 3818, Pasco, WA 99302, Attention: Frank Tiegs, President, in favor of STEWART TITLE GUARANTY COMPANY, a corporation, as trustee ("Trustee"), for the benefit of NORTHWEST FARM CREDIT SERVICES, PCA, a corporation organized and existing under the laws of the United States, as beneficiary ("Beneficiary"), whose address is 1700 South Assembly Street, Spokane, WA 99224-2121, P. O. Box 2515, Spokane, WA 99220-2515.

BACKGROUND

Pursuant to the Term Loan Agreement dated as of February 22, 2013 (as the same may be amended, supplemented or restated from time to time, the "Loan Agreement") by and among Grantor and Pasco Acquisition Corp., a Delaware corporation, as borrower ("Borrower"), Pasco Processing, LLC, a Washington limited liability company, and certain subsidiaries of Grantor, as guarantors, and Beneficiary, as Lender, Beneficiary has agreed to make a term loan to Borrower in the aggregate principal amount of \$141,000,000 (the "Term Loan").

Pursuant to the terms and conditions of the Loan Agreement, Grantor has agreed to grant this Deed of Trust in favor of Beneficiary to provide security for Borrower's obligations under the Loan Agreement and the other Secured Obligations described herein.

DEED OF TRUST - 1
National Frozen Foods Corporation; Customer No. 79027
PO-353720 v2

RECEIVED

SEP 11 2018

OWRD

After Recording Return To: AmeriTitle 097-296L

Capitalized terms used and not otherwise defined in this Deed of Trust have the meaning given such terms in the Loan Agreement.

**ARTICLE 1
GRANT OF SECURITY**

Grantor, in consideration of the indebtedness secured by this Deed of Trust, irrevocably bargains, sells, grants, mortgages, transfers, conveys, assigns and warrants to Trustee, IN TRUST, WITH POWER OF SALE, AND RIGHT OF ENTRY AND POSSESSION for the benefit and security of Beneficiary all Grantor's existing and future rights, titles, interests, estates, powers and privileges in or to the following (collectively the "Collateral"):

1.1 Real Estate.

a. That certain real property located in Linn County, State of Oregon, more particularly described on Exhibit A attached hereto and incorporated herein (the "Land").

b. [Intentionally omitted.]

c. All buildings, wells and other improvements now or hereafter located on the Land, including, but not limited to, the Fixtures (as defined below), and all other equipment, machinery, appliances and other articles attached to such buildings and other improvements (collectively the "Improvements");

d. All fixtures (including without limitation, goods that are or become so related to the Land that an interest in them arises under the real estate law) and any additions or replacements (collectively the "Fixtures") now or hereafter located on, attached to, installed in or used in connection with the Land;

e. All personal property, appliances, equipment and goods now or hereafter owned or possessed by Grantor located upon, in, or about or used in connection with said Land or Improvements, including the maintenance thereof, together with all increases, substitutes, replacements, proceeds and products thereof and additions and accessions thereto;

f. All rights, rights-of-way, easements, licenses, profits, claims, demands, privileges, grazing privileges, tenements, hereditaments and appurtenances now owned or hereafter acquired by Grantor and used in connection with the Land and the Improvements or as a means of access to either or both, including without limitation, all rights over the property of third persons which are related thereto and all unaccrued trespass and surface damage claims appurtenant thereto, and all written operations plans and all permits and approvals related to the Land and Improvements;

g. All of Grantor's right, title and interest in and to any land within any right-of-way of any open or proposed street adjoining the Land, and any and all sidewalks, alleys, strips and gores of land adjacent to or used in connection with the Land and Improvements;

h. All of Grantor's existing and future rights in (including without limitation, royalty and leasehold rights) oil, gas and other mineral rights in or relating to the Land;

i. All waters, water courses, water rights and riparian rights (including without limitation, shares of stock evidencing the same) in or relating to the Land;

j. All existing and future leases and subleases relating to the Land and Improvements or any interest in them, including without limitation, all deposits, advance rentals and other similar payments, but not including the Rents, as defined and separately assigned in Article 5;

k. All options to purchase, exchange or lease the Land, Fixtures or Improvements or any interest in them (and any greater estate in the Land, Fixtures or Improvements and acquired by exercise of such options);

l. All contracts and policies of insurance and proceeds thereof which may insure all or any portion of the Collateral against casualties and theft;

m. All Grantor's other existing or future estates, homestead or other claims or demands, both in law and in equity in the Land and Improvements, including without limitation, (i) all awards made for the partial or complete taking by eminent domain, or by any proceeding or purchase in lieu of eminent domain, of the Land or Improvements, and (ii) all proceeds, including general intangibles and payment intangibles, of any insurance covering the any of the Collateral; and

n. All cash or non-cash proceeds of the sale, lease, license, exchange or other disposition of the Collateral listed in items a. through l. above, including accounts and general intangibles, arising therefrom. Proceeds include all subsidy payments, in cash or in kind, which may be made to Grantor by any person, entity or governmental agency, including but not limited to, payments and entitlements from state and federal farm programs, as well as any type of property insurance; and any rights arising out of Land or Improvements, collections and distributions on Land or Improvements.

1.2 Personal Property. As further security for the payment, performance and observance of the Secured Obligations, Grantor, as debtor, hereby grants to Beneficiary, as secured party, a security interest in all of Grantor's existing and future right, title and interest in, to and under all items described in clauses e., l., m and n. of Section 1.1 of this Deed of Trust (the "UCC Collateral"). This Deed of Trust constitutes a security agreement for all purposes under the Uniform Commercial Code in effect in the State of Oregon (the "Oregon UCC"). In addition to all other rights and remedies provided for in this Deed of Trust, Beneficiary shall have all of the rights and remedies of a secured party under the Oregon UCC. Grantor agrees that at least 10-days' notice to Grantor of the time and place of any public sale or the time after which any private sale is to be made shall constitute reasonable notification with respect to the UCC

Collateral. If Beneficiary shall so require, Grantor, upon the occurrence of an Event of Default, will make UCC Collateral available to Beneficiary at a place designated by Beneficiary, which is reasonably convenient to Beneficiary. In addition, Grantor shall execute such instruments and documents as Beneficiary reasonably may require from time to time to further evidence, implement or perfect any of Beneficiary's rights, remedies and security interests.

1.3 **Fixture Filing.** This Deed of Trust is intended to serve as a Fixture filing covering Fixtures and as-extracted collateral pursuant to the terms of the applicable Uniform Commercial Code. This Deed of Trust is to be recorded in the real estate records of the Counties in which the Land is located. In that regard, the following information is provided:

| | |
|---|--|
| Name and Organizational ID of Grantor, as Debtor: | National Frozen Foods Corporation, WA-178000544 |
| Address of Grantor: | c/o Pasco Processing,LLC P.O. Box 3818, Pasco, WA 99302 Attention: Frank Tiegs, President |
| Name of Beneficiary, as Secured Party: | Northwest Farm Credit Services, PCA |
| Address of Beneficiary: | Northwest Farm Credit Services, PCA 1700 South Assembly Street P. O. Box 3486 Spokane, WA 99220 |

ARTICLE 2 REPRESENTATIONS AND WARRANTIES

2.1 **Representations and Warranties.** Grantor represents and warrants to Beneficiary as follows:

a. Grantor hereby authorizes Beneficiary to file, at any time, one or more financing statements and any amendments and continuations thereof, describing any personal property or fixtures described herein, without further signature of Grantor. Grantor hereby represents and warrants that Grantor's chief executive office is located in the State of Washington; Grantor's exact legal name and state of formation is:

NATIONAL FROZEN FOODS CORPORATION, a Washington corporation

b. Grantor is the sole legal and equitable owner of the Collateral;

c. Without thereby limiting the generality of the foregoing, and except as otherwise previously disclosed to Beneficiary, Grantor has not assigned or granted any harvest or access rights or interests, or sold or leased any part of the Land or the Improvements, if any, to any other person (individual, organization or governmental unit);

d. There are no claims, liens, encumbrances (including judgments, levies and the like), or security interests ("Liens") covering the Collateral or any part or item thereof except easements and reservations of record that are listed on the title policy delivered by Grantor and other Permitted Liens;

e. To the best of Grantor's knowledge, and other than have been disclosed to Beneficiary, there are no federal, state or local laws, regulations, rules or standards ("Laws"), or permits, orders, injunctions, citations, notices of civil penalty, restraining orders, judgments or the like issued by any governmental unit ("Orders") that are now in effect and that would restrict any material use of the Collateral;

f. Grantor has taken all actions necessary and has been duly authorized under its governing articles or certificate of organization and operating agreement or articles or certificate of incorporation and bylaws, as applicable, to execute, acknowledge and deliver this Deed of Trust and the other Loan Documents and to perform the Secured Obligations;

g. This Deed of Trust has been executed, acknowledged and delivered on behalf of Grantor by partners, members, representatives or officers, as applicable, of Grantor duly authorized to perform such acts;

h. This Deed of Trust is the legally valid and binding contract of Grantor, and is enforceable against Grantor in accordance with its terms except as such enforcement may be limited by bankruptcy, insolvency, reorganization, moratorium or other similar Laws affecting the rights and remedies of creditors generally and by general principles of equity, whether applied by a court of law or equity; and

i. To the best of Grantor's knowledge, neither the execution of this Deed of Trust nor the payment and performance of the Secured Obligations will materially violate any Laws or Orders affecting Grantor or the Collateral or constitute a breach or Event of Default by Grantor under any agreement, contract, loan indenture, lease, instrument or like document ("Contract") to which Grantor is a party or the Collateral is bound.

j. A true, complete and correct copy of each Assigned Lease has been delivered to Beneficiary;

k. Each of the Assigned Leases is in full force and effect and unmodified by any writing or otherwise; Grantor has not delivered or received any notices of default under the Assigned Leases; and, to Grantor's knowledge, there is no existing default, nor any

circumstances that, with the passage of time or the giving of notice or both, would constitute a default under the Assigned Leases.

The foregoing representations and warranties will survive and not be merged or otherwise eliminated by any conveyance, voluntarily or through foreclosure, of the Collateral to Beneficiary or its nominee. Grantor hereby agrees to indemnify, defend and hold harmless Beneficiary from and against any and all claims, loss, liability, damages, liens, penalties, costs and expenses of any nature or kind whatsoever arising from or related to any misstatement of any material fact in the foregoing representations and warranties or the omission therein to state a material fact necessary in order to make the statements made, in light of the circumstances under which they are made, not misleading.

ARTICLE 3 SECURED OBLIGATIONS

3.1 Debts, Liabilities and Secured Obligations. The Collateral secures the following indebtedness, obligations, commitments and agreements (collectively the "Secured Obligations"):

a. Payment of all sums at any time owing under the Loan Agreement and the Note described therein, including all extensions, renewals, modifications, amendments and replacements thereof;

b. The obligations owed by Grantor or Borrower to Beneficiary and all outstanding commitments to lend by Beneficiary to Grantor or Borrower hereunder and under the other Loan Documents and all fees, expenses and reasonable attorneys' fees required thereunder, including all extensions, renewals, modifications, amendments and replacements thereof;

c. The payment of all other sums that may be advanced by or otherwise be due to Beneficiary under any provision of this Deed of Trust or under any other Loan Document, with interest thereon at the rates provided therein;

d. The performance of each and every one of the covenants and agreements of Grantor or Borrower contained:

i. Herein; and

ii. In the other Loan Documents;

e. Payment and performance of all future advances and other obligations that the then record owner of all or part of the Collateral may agree to pay and/or perform (whether as principal, surety or guarantor) for the benefit of Beneficiary, when such future advance or obligation is evidenced by a writing that recites that it is secured by this Deed of Trust;

f. Payment of all amounts advanced by (or on behalf of) Beneficiary to improve, protect or preserve the Collateral or the security of this Deed of Trust with interest on such amounts as provided in this Deed of Trust; and

g. Payment and performance of any and all amendments, modifications, extensions, renewals and replacements of any of the foregoing, however evidenced, including, without limitation: (i) modifications of the required principal payment dates or interest payment dates or both, as the case may be, deferring or accelerating payment dates wholly or partly; or (ii) amendments, modifications, extensions or renewals at a different rate of interest whether or not in the case of a note, the modification, extension or renewal is evidenced by a new or additional promissory note or notes.

Notwithstanding the foregoing, this Deed of Trust does not secure any separate hazardous materials indemnity or any similar indemnity or indemnities in any of the Loan Documents.

This Deed of Trust secures the sum of the Secured Obligations owed by Grantor or Borrower to Beneficiary as of the date hereof and shall secure additional extensions of credit and advances made by Beneficiary to Grantor or Borrower. The continuing validity and priority of this Deed of Trust for future extensions of credit and advances shall not be impaired by the fact that at certain times no outstanding indebtedness to Beneficiary or commitments from Beneficiary to make future extensions of credit or advances exists.

Notice is hereby given that the interest rate, payment terms or balance due on the Note may be indexed, adjusted, renewed or renegotiated.

Grantor acknowledges that the Secured Obligations are unconditional in nature and will not be released, discharged or otherwise affected by (a) any damage to or destruction or condemnation of the Collateral or any part thereof, (b) any governmental requirement affecting the use or enjoyment of the Collateral, (c) any defect in title to or lien on the Collateral, (d) any bankruptcy or insolvency event involving Grantor or Borrower, (e) any claim that Grantor or Borrower has or may claim to have against Beneficiary or its participants, and whether or not relating to any related agreement between Beneficiary and Grantor or Borrower or (f) any other occurrence of similar or dissimilar nature and whether or not Grantor or Borrower has actual or constructive notice thereof.

3.2 Maturity. The Secured Obligations have a maturity date as late as February 1, 2023, exclusive of extensions and renewals.

ARTICLE 4 COVENANTS

4.1 Payment of Secured Obligations. Grantor and Borrower shall pay the Secured Obligations when due.

RECEIVED
SEP 11 2018
OWRD

4.2 Maintenance, Repair, Alterations.

4.2.1 Maintenance, Repair, and Alterations: Affirmative Covenants. Grantor shall:

- a. Keep the Collateral in good condition and repair;
- b. Complete promptly and in a good and workmanlike manner, any Improvement that may be constructed on the Land, and promptly restore in like manner any Improvement that may be damaged or destroyed, and pay when due all claims for labor performed and materials furnished for such construction or restoration;
- c. Comply with all statutes, laws, ordinances, regulations, orders, rulings, rules, consents, permits, licenses, conditions of approval and authorizations of any court or governmental or regulatory body having jurisdiction over Grantor, the Land or Improvements ("Laws and Ordinances");
- d. Comply with any condominium or other plan, declaration of covenants, conditions and restrictions, and reciprocal easement agreements to which the Land is subject ("CC&Rs"), any owners' association articles and bylaws affecting the Land and Permitted Liens;
- e. Keep and maintain abutting grounds, sidewalks, roads, parking and landscape areas in good, neat order and repair;
- f. Comply with the provisions of any leases constituting part of the Collateral;
- g. Obtain and maintain in full force and effect all permits necessary for the use, occupancy and operation of the Collateral; and
- h. Do any and all other acts, except as otherwise prohibited or restricted by the Loan Documents, that may be reasonably necessary to protect or preserve the value of the Collateral and the rights of Trustee and Beneficiary in it.

4.2.2 Maintenance, Repair and Alterations: Negative Covenants. Grantor shall not, except upon the prior written consent of Beneficiary, which shall not be unreasonably withheld or delayed:

- a. Remove, demolish or materially alter any of the Improvements, other than to make non-structural repairs in the ordinary course of business, that preserve or increase the value of the Land;
- b. Commit, suffer or permit any act to be done in, upon or to any part of the Collateral in violation of any Laws and ordinances, CC&Rs, or Permitted Liens now or hereafter affecting the Collateral;

RECEIVED

SEP 11 2018

OWRD

- c. Commit or permit any waste or deterioration of the Collateral;
- d. Take (or fail to take) any action, that would increase the risk of fire or other hazard occurring to or affecting the Collateral or that otherwise would impair the security of Beneficiary in the Collateral;
- e. Abandon all or any part of the Collateral or leave the Collateral unprotected, unguarded, vacant or deserted; or
- f. Initiate, join in or consent to any change in any zoning ordinance, general plan, specific plan, private restrictive covenant or other public or private restriction limiting the uses that may be made of the Land or Improvements by Grantor without the prior written consent of Beneficiary.

4.3 Insurance.

4.3.1 Policies Required. Grantor shall at all times maintain in full force and effect, at Grantor's sole cost and expense, with insurers reasonably satisfactory to Beneficiary, the following policies of insurance in form, substance and amounts reasonably satisfactory to Beneficiary:

- a. Commercial general liability insurance in amounts reasonably required by Beneficiary from time to time;
- b. Course of construction and so-called "all risk" (or "special form") hazard/property insurance covering the lesser of (x) 100 percent of the replacement cost of the Improvements and the Fixtures located on the Land or (y) the maximum policy limits available, in the event of (i) fire, lightning, windstorm, vandalism or malicious mischief, (ii) all other risks normally covered by so-called "all risk" (or "special form") hazard coverage policies in the area where the Land is located (including earthquake), and (iii) loss by flood if the Land is in an area designated as subject to the danger of flood;
- c. Worker's compensation insurance and any other insurance required by law in connection with the Collateral;
- d. All rental loss insurance and business interruption insurance that Beneficiary reasonably requires (including insurance against income loss during a period of restoration); and
- e. All other insurance in amounts and as reasonably required by Beneficiary from time to time.

RECEIVED

SEP 11 2018

OWRD

No less than 30 days prior to the expiration of each policy, Grantor shall deliver to Beneficiary evidence reasonably satisfactory to Beneficiary of renewal or replacement of such policy.

4.3.2 Required Policy Provisions. Each policy of insurance required under this Deed of Trust shall:

- a. Provide that it shall not be cancelled without at least 30-days' prior written notice to Beneficiary;
- b. Be primary insurance without right of contribution;
- c. (For casualty insurance) include a "Lender's Loss Payable Endorsement" in form and substance satisfactory to Beneficiary, showing Beneficiary as "Lender," or (for liability insurance) shall name Beneficiary as an additional insured;
- d. Include only deductible amounts to which Beneficiary has previously consented in writing;
- e. Contain an agreed value clause sufficient to eliminate any risk of coinsurance, if the policy insures against damage to the Improvements or Fixtures;
- f. Be in form, substance, amount and issued by companies (which must be rated Class A V11 or better by Best's Insurance Reports) reasonably approved by Beneficiary; and
- g. Meet such other requirements as Beneficiary requires.

4.3.3 Existing Insurance. Beneficiary approves the companies, insurance policies and coverages currently maintained by Grantor, subject to issuance of certificates of insurance with additional insured naming Beneficiary as may be required under this Deed of Trust. Any insurance which Grantor is required to obtain to comply with the insurance requirements in the Loan Documents and Deed of Trust may be carried under a "blanket" policy or policies covering other properties, provided that such "blanket" policy or policies otherwise comply with the provisions of this Deed of Trust. In the event any such insurance is carried under a blanket policy, Grantor shall deliver to Beneficiary evidence of the issuance and effectiveness of the policy, the amount and character of the coverage with respect to the Property, and certificates of insurance with additional insured endorsements naming Beneficiary as may be required under this Deed of Trust. Grantor may maintain reasonable deductibles and self-insurance retention levels that are reasonable in light of its net worth.

4.3.4 Claims. Grantor shall give Beneficiary immediate notice of any casualty to any portion of the Collateral for which the cost of restoration would reasonably be expected to exceed \$100,000 (the "Casualty Threshold Amount"), whether or not covered by insurance. If covered, Grantor authorizes Beneficiary, if Beneficiary so elects, to make proof of loss, and to

commence, to appear in, defend and prosecute any claim or action arising from any applicable policy and to settle, adjust or compromise any claim under any such policy. Grantor irrevocably appoints Beneficiary its true and lawful attorney-in-fact for all such purposes. Neither Beneficiary nor Grantor shall settle, adjust or compromise any such claim without the prior written approval of the other, which approval shall not be unreasonably withheld or delayed.

4.3.5 Delivery of Proceeds to Beneficiary. Borrower shall be permitted to retain casualty insurance proceeds with respect to any one loss or series of related losses up to the Casualty Threshold Amount and such proceeds shall not be subject to Section 4.3.6, below. Casualty insurance Proceeds with respect to any one loss or series of related losses in excess of the Casualty Threshold Amount shall be paid directly to Beneficiary. If Grantor shall receive any proceeds of any casualty insurance policy required to be paid to the Beneficiary, Grantor shall deliver such proceeds to Beneficiary immediately upon receipt.

4.3.6 Application of Casualty Insurance Proceeds. Except as provided in Section 4.3.5, any proceeds collected (the "Proceeds") under any casualty insurance policy described in this Deed of Trust shall be applied as provided below:

Grantor shall deliver the Proceeds to Beneficiary, and Beneficiary shall hold the Proceeds in an account to be used for repair or reconstruction of the Improvements or Fixtures, subject to the conditions set forth below and Beneficiary's customary disbursement procedures. However, if (a) Beneficiary's Collateral has been impaired, or (b) if there is an uncured Event of Default, regardless of whether Beneficiary's Collateral has been impaired, then Beneficiary, in its sole discretion, can apply the Proceeds against the Secured Obligations. If Beneficiary elects to have the funds used for repair or reconstruction, Beneficiary will not be obligated to make any disbursements of such proceeds until all of the following conditions are satisfied, as determined by Beneficiary in its reasonable discretion:

a. Within 60 days of such damage, destruction or taking, Grantor presents to Beneficiary a restoration plan satisfactory to Beneficiary in its reasonable discretion, which includes cost estimates and schedules; and

b. Within 3 months of such damage, destruction or taking, Grantor and a contractor satisfactory to Beneficiary enter into a fixed price or guaranteed maximum price contract satisfactory to Beneficiary in its reasonable discretion, providing for complete restoration in accordance with such restoration plan; and

c. To the extent the proceeds are insufficient to accomplish the restoration, Grantor shall deliver to Beneficiary funds in the amount of such shortfall, which funds shall be assigned to Beneficiary as security for the Secured Obligations and held and disbursed in the same manner as the Proceeds; and

d. The (i) Proceeds (exclusive of rental loss insurance proceeds) for such damage or destruction, that are received by Beneficiary, plus (ii) additional funds provided to

Beneficiary by Grantor for restoration purposes, are at least equal to such fixed price or guaranteed maximum price.

If Grantor complies with this Paragraph, Beneficiary shall disburse to such contractor(s), on Grantor's request, in accordance with the restoration contract and Beneficiary's customary disbursement procedures. Nothing herein shall be deemed to excuse in any manner Grantor's obligation to make any payments with respect to the Secured Obligations when due under any Loan Document.

4.3.7 Assignment of Policies. If this Deed of Trust is foreclosed or other transfer of title or assignment of the Collateral is made in satisfaction of all or part of the Secured Obligations, then all right, title and interest of Grantor in and to all policies of insurance required by Section 4.3.1 above and all unearned premiums paid on them shall, without further act, pass to the purchaser or grantee of the Collateral.

4.3.8 Waiver of Subrogation. Grantor waives all right to recover against Beneficiary (or any officer, employee, agent or representative of Beneficiary) for any loss incurred by Grantor from any cause insured against or required by any Loan Document to be insured against, provided, however, that this waiver of subrogation shall not apply to any insurance policy if such policy's coverage would be materially reduced or impaired as a result. Grantor shall obtain only policies that permit this waiver of subrogation.

4.4 Condemnation and Other Awards. Upon learning of the actual or threatened condemnation or other taking for public or quasi-public use of all or any part of the Land, Grantor shall immediately notify Beneficiary and Trustee. Grantor shall take all actions reasonably required by Beneficiary or Trustee in connection with such condemnation or other taking to defend and protect the interests of Grantor, Beneficiary and/or Trustee in the Land. At Beneficiary's option, Beneficiary or Grantor may be the named party in such proceeding. Regardless of the adequacy of its security, Beneficiary shall be entitled to participate in, control and be represented by counsel of its choice in such proceeding. All condemnation proceeds shall first be applied to reimburse Beneficiary and Trustee for all their reasonable costs and expenses, including reasonable attorneys' fees, incurred in connection with the collection of such award or settlement. The balance of such award or settlement shall be applied by Beneficiary against the Secured Obligations in such order as Beneficiary may determine.

4.5 Taxes and Impositions (Impounds). Grantor shall pay, prior to delinquency, all of the following (collectively the "Impositions"):

a. All general and special real property taxes and assessments imposed on the Land;
and

b. All other taxes and assessments and charges assessed on the Land (or on the owner and/or operator of the Land) that create or may create a lien on the Land (or on any

Improvement or Fixture used in connection with the Land); including, without limitation, non-governmental levies and assessments under applicable CC&Rs; and

c. All business taxes; and

d. All license fees, taxes and assessments imposed on Beneficiary (other than Beneficiary's income or franchise taxes) that are measured by or based upon (in whole or in part) the amount of the Secured Obligations.

If permitted by law, Grantor may pay the Imposition in installments (together with any accrued interest). Upon demand by Beneficiary from time to time, Grantor shall deliver to Beneficiary, within 30 days following the due date of any Imposition, evidence of payment reasonably satisfactory to Beneficiary. In addition, upon demand by Beneficiary, at Grantor's expense, from time to time, Grantor shall furnish to Beneficiary a tax reporting service for the Land of a type and duration, and with a company reasonably satisfactory to Beneficiary.

4.5.1 Reserves on Impositions (Impounds). If Beneficiary requires, following the occurrence of an Event of Default, Grantor, shall deposit with Beneficiary such sum as Beneficiary reasonably estimates to be necessary to pay installments of Impositions and insurance policies next becoming due (collectively, the "Impounds") upon any of the Land, Fixtures and Improvements. All such Impounds may be held by Beneficiary and applied in such order as Beneficiary may elect for payment of Impositions or other sums secured by this Deed of Trust at Beneficiary's election. Such Impounds shall constitute additional collateral for the Secured Obligations. Except as otherwise provided by law, Beneficiary shall have no obligation regarding such Impounds other than to account to Grantor for their receipt and application. Upon any transfer by Beneficiary of its rights or interests in the Secured Obligations or of this Deed of Trust, Beneficiary may turn over to the transferee such of those Impounds as Beneficiary then holds, and Beneficiary's responsibilities with respect to the Impounds shall terminate.

4.6 Utilities. Grantor shall promptly pay all gas, irrigation, electricity, water, sewer and other utility charges incurred for the benefit of the Collateral or that may become a lien against the Collateral; and all other similar public or private assessments and charges relating to the Collateral, regardless of whether or not any such charge is or may become a lien on the Collateral.

4.7 Liens: Non-Permitted Liens. Grantor shall not cause, incur or permit to exist any lien, encumbrance or charge ("Non-Permitted Liens") upon all or any part of the Collateral or any interest in the Collateral other than Permitted Liens. Grantor shall pay and promptly discharge, at Grantor's sole cost and expense, all such Non-Permitted Liens. If Grantor fails to do so, Beneficiary may, but shall not be obligated to, discharge them, without notice to or demand on Grantor, and without inquiring into the validity of such Non-Permitted Liens or the existence of any defense or offset to them. Beneficiary may discharge Non-Permitted Liens either by (a) paying the amount claimed to be due, or (b) procuring their discharge by depositing in a court a

bond or the amount claimed or otherwise giving security for such claim, or (c) in any other manner permitted or required by law. Grantor shall, immediately upon demand by Beneficiary, pay Beneficiary's reasonable costs and expenses incurred in connection with such discharge, together with interest on such costs from the date of such expenditure until paid at the default rate of interest described in the other Loan Documents ("Default Interest Rate").

4.8 Sale or Lease of Collateral: Due on Sale Clause. Grantor shall not sell, lease, sublease or otherwise transfer all or any part of the Collateral or any interest in it, without the prior written consent of Beneficiary, unless such transfer is permitted by the Loan Documents. Upon any such transfer to which Beneficiary does not consent, Beneficiary at its option may, without prior notice, declare all Secured Obligations immediately due and payable without presentment, demand, protest or further notice of any kind, and may exercise all rights and remedies provided in this Deed of Trust or under applicable law. Notwithstanding the foregoing, Grantor will not be restricted, or need to obtain Beneficiary's consent or approval of tenants, for lease and occupancy agreements from time to time of portions of the Land that are "Immaterial Leases." The term "Immaterial Leases" means leases and occupancy agreements entered into by Grantor in the ordinary course of business and at then-prevailing market rates in an arm's length transaction that affect (in the aggregate) less than ten percent (10%) of the Property.

4.9 Inspections. Grantor authorizes Beneficiary and its agents, representatives and employees, from time to time upon reasonable notice to Grantor, in any event, not more than once per year upon 90 days' notice (or if a Default or Event of Default shall have occurred and is continuing, at any time and without prior notice), to enter at any time upon any part of the Collateral for the purpose of performing a Subsequent Valuation, inspecting the Collateral, taking soil or groundwater samples and conducting tests to investigate for the presence of hazardous materials, provided such entry shall cause as little disruption to the occupants of the Collateral as possible, and provided Beneficiary restores the Collateral to its pre-inspection condition if Beneficiary's inspection activities cause damage to the Collateral. Grantor agrees to pay the costs and expenses of Beneficiary incurred in such inspections and examinations, including without limitation, Beneficiary's attorneys' fees, if such inspection was made necessary because of an Event of Default, whether the services are provided by Beneficiary's employees, agents or independent contractors. Any inspection or review by Beneficiary is solely for Beneficiary's benefit to protect Beneficiary's security and preserve Beneficiary's rights under this Deed of Trust. Beneficiary owes no duty of care to protect Grantor or any other party against, or to inform Grantor or any other party of, any adverse condition affecting the Collateral, including any defects in the design or construction of the Improvements or Fixtures. No inspection by Beneficiary shall constitute a waiver of any Event of Default.

4.10 Defense of Actions. Grantor shall notify Beneficiary of any action or proceeding purporting to affect (a) the security of this Deed of Trust, (b) any of the other Loan Documents, (c) all or any part of the Collateral or any interest in it, (d) any additional or other security for the Secured Obligations, or (e) the interests, rights, powers or duties of Beneficiary or Trustee under this Deed of Trust. Grantor, at no cost or expense to Beneficiary or Trustee, shall appear in and defend the same. If Beneficiary or Trustee elects to become or is made a party to such action or

proceeding, Grantor shall indemnify, defend and hold Trustee and Beneficiary harmless from all related liability, damage, cost and expense reasonably incurred by either Trustee or Beneficiary (including, without limitation, reasonable attorneys' fees and expenses consistent with Section 4.13 of this Deed of Trust), whether or not such action or proceeding is prosecuted to judgment or decision.

4.11 **Protection of Security.** If Grantor fails to make any payment or to do any act required by this Deed of Trust or any of the other Loan Documents, Beneficiary and/or Trustee may do so. Beneficiary or Trustee may decide to do so, each in its own discretion, without obligation to do so, without further notice or demand, and without releasing Grantor in such manner and to such extent as either may reasonably deem necessary to protect the security of this Deed of Trust. In connection with such actions, Beneficiary and Trustee each have the right, without limitation, but not the obligation: (a) to enter upon and take possession of the Collateral; (b) to make additions, alterations, repairs and improvements to the Land, Improvements or Fixtures that in the judgment of either may be necessary or proper to keep the Collateral in good condition and repair; (c) to appear and participate in any action or proceeding affecting or that may affect the security of this Deed of Trust or the rights or powers of Beneficiary or Trustee; (d) to pay, purchase, contest or compromise any encumbrance, claim, charge, lien or debt (excepting Permitted Liens) that in the judgment of either may affect the lien or charge of this Deed of Trust or appear to be prior or superior to this Deed of Trust; and (e) in exercising such powers, to pay all necessary or appropriate costs and expenses and employ necessary or desirable consultants.

4.12 **Beneficiary's Powers.** If Grantor fails to pay any sum, other than principal and interest on the Secured Obligations, or to perform or comply with any other obligation required by any Loan Document, Beneficiary at its election may pay such sum or comply with such obligation. Without affecting the liability of Grantor or any other person liable for the payment of any Secured Obligation, and without affecting the lien or charge of this Deed of Trust, Beneficiary may, from time to time, do any of the following: (a) release any person so liable, (b) extend the maturity or alter any of the terms of any such obligation (provided however, that the consent of Grantor shall be required for extension or alteration of any unpaid obligation of Grantor to Beneficiary), (c) waive any provision of this Deed of Trust or grant other indulgences, (d) release or reconvey, or cause to be released or reconveyed, at any time at Beneficiary's option, all or any part of the Collateral, (e) take or release any other or additional security for any Secured Obligation, or (f) make arrangements with debtors in relation to the Secured Obligations. Waiver by Beneficiary of any right or remedy as to any transaction or occurrence shall not be deemed to be a waiver of any future transaction or occurrence. By accepting full or partial payment or performance of any Secured Obligation after due or after the filing of a notice of default and election to sell, Beneficiary shall not have thereby waived its right to (i) require prompt payment and performance in full, when due, of all other Secured Obligations, (ii) declare a default for failure to so pay or perform, or (iii) proceed with the sale under any notice of default and election to sell previously given by Beneficiary, or as to any unpaid balance of the indebtedness secured by this Deed of Trust.

RECEIVED

SEP 11 2018

OWRD

4.13 Reimbursement of Costs, Fees and Expenses: Secured by Deed of Trust. Grantor shall pay, on demand, to the maximum allowable under applicable law, all reasonable costs, fees, expenses, advances, charges, losses and liabilities paid or incurred by Beneficiary and/or Trustee in administering this Deed of Trust, the collection of the Secured Obligations, and Beneficiary's or Trustee's exercise of any right, power, privilege or remedy under this Deed of Trust. Such amounts include, without limitation (a) foreclosure fees, Trustee's fees and expenses, receiver's fees and expenses and Trustee's sale guaranty premiums, (b) costs and fees paid or incurred by Beneficiary and/or Trustee and/or any receiver appointed under this Deed of Trust in connection with the custody, operation, use, maintenance, management, protection, preservation, collection, appraisal, sale or other liquidation of the Collateral, (c) advances made by Beneficiary and/or Trustee to complete or partially construct all or part of any Improvements, which may have been commenced on the Land, or otherwise to protect the lien or charge of this Deed of Trust, (d) costs of evidence of title, costs of surveys and costs of appraisals, and costs resulting from Grantor's failure to perform any of the provisions of this Deed of Trust. Fees, costs and expenses of attorneys shall include the reasonable fees and disbursements of Beneficiary's outside and staff counsel and of any experts and agents (including fees of law clerks, paralegals, investigators and others not admitted to the bar but performing services under the supervision of an attorney), and including such fees incurred in the exercise of any remedy (with or without litigation), in any proceeding for the collection of the Secured Obligations, in any foreclosure on any of the Collateral, in protecting the lien or priority of any Loan Document, or in any litigation or controversy connected with the Secured Obligations, including any bankruptcy, receivership, injunction or other proceeding, or any appeal from or petition for review of any such proceeding. Reasonable counsel fees shall include fees incurred not only in enforcing the Secured Obligations in any bankruptcy or receivership proceeding, but also any fees incurred in participating in the bankruptcy or receivership proceedings generally. Such sums shall be secured by this Deed of Trust and shall bear interest from the date of expenditure until paid at the Default Interest Rate.

ARTICLE 5 ASSIGNMENT OF RENTS, ISSUES AND PROFITS

5.1 Assignment of Rents, Issues and Profits. Grantor absolutely, unconditionally and irrevocably assigns and transfers to Beneficiary all of its right, title and interest in and to all rents, issues, profits, royalties, income and other proceeds and similar benefits derived from the Collateral (collectively the "Rents"), and gives to Beneficiary the right, power and authority to collect such Rents. Grantor irrevocably appoints Beneficiary its true and lawful attorney-in-fact, at the option of Beneficiary, at any time and from time to time, to demand, receive and enforce payment, to give receipts, releases and satisfactions, and or sue, in its name or in Grantor's name, for all Rents, and to apply them to the Secured Obligations. Beneficiary hereby grants to Grantor a license to collect and retain Rents (but not more than one month in advance unless the written approval of Beneficiary has first been obtained) so long as an Event of Default shall not have occurred and be continuing. The assignment of the Rents in this Article 5 is intended to be an absolute assignment from Grantor to Beneficiary and not merely the passing of a security interest.

5.2 Collection Upon Default. Upon the occurrence of an Event of Default, Grantor's license to collect the Rents shall automatically terminate. Upon such termination, Beneficiary may, at any time, either in person, by agent or by a receiver appointed by a court, and without regard to the adequacy of any security for the Secured Obligations, do any of the following: (a) enter upon and take possession of all or any part of the Collateral; (b) with or without taking possession of the Collateral in its own name, sue for or otherwise collect Rents (including those past due and unpaid, and all prepaid Rents and all other security or other deposits paid by tenants to Grantor); and (c) apply the Rents (less costs and expenses of operation and collection, including, without limitation, attorneys' fees, whether or not suit is brought or prosecuted to judgment) to any Secured Obligation, and in such order as Beneficiary may determine, even if payment or performance of said Secured Obligation may not then be due. Grantor agrees that, upon the occurrence of any Event of Default, Grantor shall promptly deliver all Rents and security deposits to Beneficiary. The collection of Rents, or the entering and taking possession of the Land, or the application of Rents as provided above, shall not (i) cure or waive any Event of Default or notice of default under this Deed of Trust or the other Loan Documents, (ii) invalidate any act performed in response to such Event of Default or pursuant to such notice of default, or (iii) cause Beneficiary to be deemed a deed of trust-in-possession of all or any part of the Land.

5.3 Assigned Leases. Grantor agrees, with respect to each lease and sublease (collectively the "Assigned Leases") any portion of which has been assigned to Beneficiary under this Deed of Trust, as follows:

5.3.1 Grantor shall promptly perform all of Grantor's obligations as landlord under each Assigned Lease and shall immediately notify Beneficiary in writing of any notice of default received by Grantor from the tenant. At Beneficiary's request, Grantor will have tenant execute estoppel certificates and subordination agreements acceptable to Beneficiary.

5.3.2 Grantor shall diligently enforce the performance of all of the obligations of the tenant under each Assigned Lease; shall not waive any default or waive, release or discharge any such tenant of or from any such obligation; and shall not cancel, terminate or modify any Assigned Lease without Beneficiary's prior written consent.

5.3.3 Grantor hereby represents and warrants to Beneficiary, with respect to each Assigned Lease that is presently in effect, if any (collectively the "Current Assigned Leases"), (a) that Grantor has delivered to Beneficiary a true and complete copy of each Current Assigned Lease, together with all amendments, modifications and supplements thereto; (b) that Grantor has not accepted any payment of Rent (or other charge) under any Current Assigned Lease more than one month in advance; and (c) that, to the best of each Grantor's knowledge, no material default by Grantor or any other person under any Current Assigned Lease remains uncured.

5.4 Further Assignments. Upon Beneficiary's demand from time to time, Grantor shall execute and deliver to Beneficiary recordable assignments of Grantor's interest in any and all leases, subleases, contracts, rights, licenses and permits now or hereafter affecting all or any part

of the Land. Such assignments shall be made by instruments in form and substance satisfactory to Beneficiary; provided however, that no such assignment shall be construed as imposing upon Beneficiary any obligation with respect thereto. Beneficiary may, at its option, exercise its rights under this Deed of Trust or any such specific assignment and such exercise shall not constitute a waiver of any right under this Deed of Trust or any such specific assignment.

ARTICLE 6 REMEDIES UPON DEFAULT

6.1 **Events of Default.** The term "Event of Default", as used in this Deed of Trust, shall mean any of the following:

- (a) an Event of Default, as defined in the Loan Agreement;
- (b) the failure by Grantor to pay any taxes, insurance premiums, assessments or rents required under this Deed of Trust; or
- (c) the destruction of all or any portion of the Improvements or Fixtures by fire or other casualty and Grantor's failure to satisfy all of the restoration conditions within the time periods specified in Section 4.3 of this Deed of Trust.

6.2 **Acceleration Upon Default: Additional Remedies.** Upon the occurrence of an Event of Default, Beneficiary may, at its option, exercise all of the applicable rights and remedies set forth in the other Loan Documents and, in addition, declare all Secured Obligations to be immediately due and payable without any presentment, demand, protest or further notice of any kind; and whether or not Beneficiary exercises any said right or remedy, Beneficiary may:

6.2.1 Either in person or by agent, with or without bringing any action or proceeding, or by a receiver appointed by a court and without regard to the adequacy of its Collateral,

- a. enter upon and take possession of all or part of the Collateral, in its own name or in the name of Trustee;
- b. conduct environmental assessments and surveys and do any other acts that it deems necessary or desirable to preserve the value, marketability or rentability of all or part of the Collateral or interest in the Collateral or increase the Collateral's income, or protect the lien or charge of this Deed of Trust;
- c. with or without taking possession of the Collateral, sue for or otherwise collect the Rents, including those past due and unpaid; and
- d. apply the Rents (less costs and expenses of operation and collection including attorneys' fees) to any Secured Obligations, all in such order as Beneficiary may determine;

The entering and taking possession of the Collateral, the collection of such Rents and their application shall not cure or waive any Event of Default or notice of default or invalidate any act done in response to them. Regardless of whether possession of the Collateral or the collection, receipt and application of any of the Rents is by Trustee, Beneficiary or a receiver, Trustee or Beneficiary shall be entitled to exercise every right provided for in the Loan Agreement and the other Loan Documents or by law upon occurrence of any Event of Default, including the right to exercise the power of sale;

6.2.2 Commence an action to foreclose this Deed of Trust, appoint a receiver, or specifically enforce any of the covenants contained in this Deed of Trust;

6.2.3 Deliver to Trustee a written declaration of default and demand for sale, and a written notice of default and election to sell the Collateral, which notice Trustee or Beneficiary shall cause to be recorded in the official records of the Counties in which the Land is located;

6.2.4 Exercise all of the rights and remedies available to a secured party under the applicable Uniform Commercial Code in such order and in such manner as Beneficiary, in its sole discretion, may determine, including without limitation, requiring Grantor to assemble the Collateral and make the Collateral available to Beneficiary at a reasonably convenient location. The expenses of retaking, holding, preparing for sale or the like shall include reasonable attorneys' fees and other expenses of Beneficiary and Trustee and shall be secured by this Deed of Trust; and/or

6.2.5 Exercise all other rights and remedies provided in this Deed of Trust, in any other Loan Document or other document or agreement now or hereafter securing all or any portion of the Secured Obligations, or as provided by law or in equity.

6.3 Foreclosure By Power of Sale.

6.3.1 Upon receipt of notice from Beneficiary, Trustee shall cause to be recorded, published and delivered to Grantor such notice of default and election to sell as is then required by law. After such lapse of time, recordation of notice of default, and giving of notice of sale as are required by law, Trustee shall, without demand on Grantor, sell the Land, Fixtures and Improvements at the time and place of sale fixed by it in said notice of sale, or as lawfully postponed. Trustee may sell the Land, Fixtures and Improvements either as a whole, or in separate lots or parcels or items and in such order as Beneficiary may direct Trustee to so do, 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 its good and sufficient deed conveying the Land, Fixture or Improvement so sold, but without any covenant or warrant, express or implied. The recitals of any matter or fact in such deed shall be conclusive proof of their truthfulness. Any person, including without limitation, Grantor, Trustee or Beneficiary, may purchase at such sale.

6.3.2 After deducting all fees, costs and expenses incurred by Beneficiary or Trustee in connection with such sale, including costs of evidence of title up to the maximum allowed by applicable law, Beneficiary shall apply the proceeds of sale to payment of (a) first, all amounts expended under the terms of this Deed of Trust which are not then repaid, with accrued interest at the Default Interest Rate; (b) second, all other Secured Obligations; and (c) the remainder, if any, to the person or persons legally entitled.

6.3.3 Subject to applicable law, Trustee may postpone the sale.

6.3.4 A sale of less than the whole of the Land, Fixtures or Improvements or any defective or irregular sale made under this Deed of Trust shall not exhaust the power of sale provided for in this Deed of Trust; and subsequent sales may be made until all the Secured Obligations have been satisfied, or the entire Land, Fixtures or Improvements sold, without defect or irregularity.

6.4 **Appointment of Receiver.** Upon the occurrence of an Event of Default under this Deed of Trust, Beneficiary, without notice to Grantor or anyone claiming under Grantor, and without regard to the then value of the Collateral or the interest of Grantor in it, shall have the right to enter the Land in person or to apply to any court having jurisdiction to appoint a receiver or receivers of the Land, Fixtures or Improvements. Grantor irrevocably consents to such appointment and waives notice of any such application. The actions that Beneficiary or such receiver may take in connection with such entry may include, but are not limited to (a) modifying, compromising obligations under, terminating and implementing remedies with respect to the Assigned Leases, and (b) entering into, modifying or terminating any contractual arrangements, subject to Beneficiary's right at any time to discontinue any of the same without liability. Beneficiary is further authorized by this provision to request the court to appoint a general receiver and to empower the receiver to (i) sell or lease all or any portion of the Land, Fixtures or Improvements, (ii) collect and apply to the outstanding balances of the Secured Obligations all sales or lease proceeds, or hold the proceeds pending a court order approving the receiver's final report and account, and (iii) hold the collections as cash collateral pending such court order or foreclosure sale. Any such receiver(s) shall also have all the usual powers and duties of receivers in similar cases and all the powers and duties of Beneficiary in case of entry as provided in this Deed of Trust, and shall continue to exercise all such powers until the date of confirmation of sale of the Land, Fixtures or Improvements, unless such receivership is sooner terminated. If Beneficiary elects to enter or take possession of the Land, Fixtures or Improvements, it will not assume any liability to Grantor or any other person for operation or maintenance of the Land, Fixtures or Improvements, and Grantor expressly waives any such Beneficiary liability.

6.5 **Application of Funds After Default.** Except as otherwise provided in this Deed of Trust, upon the occurrence of an Event of Default, Beneficiary may at any time, with notice to Grantor if providing such notice will not adversely delay the exercise of Beneficiary's rights or remedies, apply to any Secured Obligation, in such manner and order as Beneficiary may elect, even if such Secured Obligation may not yet be due, any amounts received and held by

Beneficiary to pay insurance premium or impositions or as Rents, or as insurance or condemnation proceeds, and all other amounts received by Beneficiary from or on account of Grantor or the Collateral, or otherwise. The receipt, use or application of any such amounts shall not affect the maturity of any Secured Obligation, any of the rights or powers of Beneficiary or Trustee under the terms of any Loan Document, or any of the obligations of Grantor or any guarantor under the Loan Agreement or any other Loan Document; or cure or waive any Event of Default or notice of default under the Loan Documents; or invalidate any act of Trustee or Beneficiary.

6.6 **Remedies Not Exclusive.** Trustee and Beneficiary shall each be entitled to enforce payment and performance of any Secured Obligation and to exercise all rights and powers under this Deed of Trust or any other Loan Document or other agreement or any law, even if some or all of the Secured Obligations may be otherwise secured, whether by guaranty, deed of trust, mortgage, pledge, lien, assignment or otherwise. Neither the acceptance nor enforcement (whether by court action or pursuant to the power of sale or other powers herein contained) of this Deed of Trust shall impair Trustee's or Beneficiary's right to realize upon or enforce any other security held by Trustee or Beneficiary. Trustee and Beneficiary shall each be entitled to enforce this Deed of Trust and any other security for the Secured Obligations held by Beneficiary or Trustee in such order and manner as they may in their absolute discretion determine. No remedy conferred upon or reserved to Trustee or Beneficiary is intended to be exclusive of any other remedy in this Deed of Trust, and other agreement, or at law, but each shall be cumulative and in addition to every other remedy available to Beneficiary. Every power or remedy given by any of the Loan Documents to Trustee or Beneficiary or to which either of them may be otherwise entitled, may be exercised, concurrently or independently, from time to time and as often as may be deemed expedient by Trustee or Beneficiary, and either of them may pursue inconsistent remedies. Grantor may be joined in any action brought by Beneficiary to foreclose under or otherwise enforce this Deed of Trust.

6.7 **Request for Notice.** Grantor requests that a copy of any notice of default and that a copy of any notice of sale under this Deed of Trust be mailed to it at the address set forth in the first paragraph of this Deed of Trust.

ARTICLE 7 MISCELLANEOUS

7.1 **Amendments.** This instrument cannot be waived, modified, discharged or terminated except in writing signed by the party against whom enforcement of such changes is sought.

7.2 **Waivers.** Grantor waives, to the extent permitted by law, (a) the benefit of all laws (whenever enacted) providing for any appraisal before sale of any portion of the Collateral, (b) all rights of valuation, appraisal, stay of execution, notice of election to mature or declare due the whole of the Secured Obligations and marshaling in the event of foreclosure of this Deed of Trust, and (c) all rights and remedies that Grantor may have under the laws of the State of Oregon regarding the rights and remedies of sureties.

7.3 **Statements By Grantor.** Grantor shall, within 10 days after notice from Beneficiary, deliver to Beneficiary a written statement setting forth whether Grantor has any knowledge that any offset or defense exists against the Secured Obligations.

7.4 **Statements By Beneficiary.** For any statement or accounting requested by Grantor or any other entitled person pursuant to applicable law, or for any other document or instrument furnished to Grantor by Beneficiary, Beneficiary may charge: (a) the maximum amount permitted by law at the time of the request, (b) if no such maximum, then the greater of Beneficiary's customary charges or the actual cost to Beneficiary.

7.5 **Reconveyance By Trustee.** Trustee shall reconvey the Land, Fixtures or Improvements, without warrant, to the person or persons legally entitled to it upon (a) written request of Beneficiary stating that all Secured Obligations have been paid and fully performed, (b) surrender by Beneficiary of this Deed of Trust, and (c) payment by Grantor of Trustee's fees and the costs and expenses of executing and recording any requested reconveyance. The recitals in any such reconveyance of any matter or fact shall be conclusive proof of their truthfulness. The grantee in any such reconveyance may be described as "the person or persons legally entitled thereto."

7.6 **Notices.** All notices, demands, approvals and other communications shall be made in writing to the appropriate party at the address set forth in the first paragraph of this Deed of Trust. All such notices shall be made in accordance with the Loan Agreement.

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

7.8 **Headings.** Article and section headings are included in this Deed of Trust for convenience of reference only and shall not be used in construing this Deed of Trust.

7.9 **Severability.** Every provision of this Deed of Trust is intended to be severable. The illegality, invalidity or unenforceability of any provision of this Deed of Trust shall not in any way affect or impair the remaining provisions of this Deed of Trust, which provisions shall remain binding and enforceable.

7.10 **Subrogation.** To the extent that proceeds of the Secured Obligations are used, either directly or indirectly, to pay any outstanding lien, charge or prior encumbrance against the Collateral, Beneficiary shall be subrogated to any and all rights and liens held by any owner or holder of such outstanding liens, charges and prior encumbrances, regardless of whether such liens, charges or encumbrances are released.

7.11 **No Merger of Lease.** Foreclosure of the lien created by this Deed of Trust on the Land, Fixtures or Improvements shall not destroy or terminate the Lease, any Assigned Lease or other lease or sublease then existing and affecting all or any portion of the Land, Fixture or

Improvement, unless Beneficiary or any purchaser at such foreclosure sale shall so elect. No act by or on behalf of Beneficiary or any such purchaser shall terminate any Assigned Lease or other lease or sublease unless a Beneficiary or such purchaser shall give written notice of termination to such tenant or subtenant. If both the lessor's and lessee's estate under any lease that constitutes a part of the Land, Fixture or Improvement shall become vested in one owner, this Deed of Trust and its lien shall not be destroyed or terminated by application of the doctrine of merger unless Beneficiary so elects, as evidenced by recording a written declaration so stating. Until Beneficiary so elects, Beneficiary shall continue to have and enjoy all of the rights, powers and privileges of Beneficiary under this Deed of Trust as to the separate estates.

7.12 **Governing Law.** This Deed of Trust shall be governed by, and construed in accordance with, the substantive laws of the State of Oregon.

7.13 **Statute of Limitations.** Grantor hereby waives, to the fullest extent permitted by law, the right to plead, use or assert any statute of limitations as a plea, defense or bar to any Secured Obligation, or to any complaint or other pleading or proceeding filed, instituted or maintained for the purpose of enforcing this Deed of Trust or any rights under it.

7.14 **Interpretation.** In this Deed of Trust the singular shall include the plural and the masculine shall include the feminine and the neuter and vice versa, if the context so requires; and the word "person" shall include corporation, partnership or other form of association. Any reference in this Deed of Trust to any document, instrument or agreement creating or evidencing an obligation secured hereby shall include such document, instrument or agreement both as originally executed and as it may from time to time be modified.

7.15 **Trust Irrevocable.** The trust created by this Deed of Trust is irrevocable by Grantor. All Secured Obligations shall be paid without notice, demand, counterclaim, setoff, deduction or defense and without abatement, suspension, deferment, diminution or reduction. Grantor waives all rights conferred by statute or otherwise to any abatement, suspension, deferment, diminution or reduction of any Secured Obligation.

7.16 **Further Assurances.** Grantor agrees to do or cause to be done such further acts and things and to execute and deliver or to cause to be executed and delivered such additional assignments, agreements, powers and instruments as Beneficiary or Trustee may reasonably require to: (a) correct any defect, error or omission in this Deed of Trust or the execution or acknowledgment of this Deed of Trust, (b) subject to the lien of this Deed of Trust any of Grantor's properties covered or intended to be covered by this Deed of Trust, (c) perfect, maintain and keep valid and effective such lien, (d) carry into effect the purposes of this Deed of Trust, or (e) better assure and confirm to Beneficiary or Trustee their respective rights, powers and remedies under this Deed of Trust.

7.17 **Trustee's Powers.** Upon written request of Beneficiary and presentation of this Deed of Trust, Trustee may (a) reconvey all or any part of the Land, Fixtures or Improvements, (b) consent in writing to the making of any map or plat thereof, (c) join in granting any easement

thereon, or (d) join in any extension agreement, agreement subordinating the lien or charge hereof, or other agreement or instrument relating hereto or to all or any part of the Collateral. Trustee may take such action at any time, and from time to time, without liability and without notice, and without affecting the personal liability of any person for payment of the indebtedness or the performance of any other Secured Obligation or the effect of this Deed of Trust upon the remainder of the Collateral.

7.18 Substitution of Trustee. Beneficiary may, from time to time, by written instrument executed and acknowledged by Beneficiary and recorded in the county or counties where the Land is located, or by any other procedure permitted by applicable law, substitute a successor or successors for the Trustee under this Deed of Trust.

7.19 Successors and Assigns. Subject to Section 4.8 above, this Deed of Trust applies to, inures to the benefit of and binds all parties to this Deed of Trust, their heirs, legatees, devisees, administrators, executors, successors and assigns.

7.20 Appraisal and Property Valuation Costs. Grantor acknowledges that Beneficiary has a legitimate business need to remain apprised of the current value of the Collateral, and Beneficiary from time to time after recordation of this Deed of Trust may order a valuation ("Subsequent Valuation") of the Collateral. Grantor shall cooperate in allowing Beneficiary or its agents reasonable access to the Collateral for the purpose of performing any such Subsequent Valuation, whether it is in the form of an appraisal or any other method of valuing the Collateral. Grantor shall pay promptly to Beneficiary, on demand, the costs of any such Subsequent Valuation, whether performed by employees, agents, or independent contractors of Beneficiary; provided that so long as Grantor is not in default under the Note and Loan Documents, Grantor will not be required to reimburse Lender for the cost for performing any Subsequent Valuation more than once every five (5) years.

7.21 Waiver of Marshalling Rights. Grantor for itself and for all parties claiming through or under Grantor, and for all parties who may acquire a lien on or interest in the Land, hereby waives all rights to have the Collateral and/or any other property that is now or later may be security for any Secured Obligation ("Other Collateral") marshaled upon any foreclosure of this Deed of Trust or on a foreclosure of any other security for any of the Secured Obligations. Beneficiary shall have the right to sell, and any court in which foreclosure proceedings may be brought shall have the right to order a sale of the Collateral and any or all of the Other Collateral, as a whole or in separate parcels, in any order Beneficiary may designate.

7.22 Disclosures Regarding Insurance Coverage. The following disclosure is made by Beneficiary and Trustee to Grantor pursuant to Or. Rev Stat. ¶ 746.201:

WARNING

Unless you [Grantor] provide us [Beneficiary] with evidence of the insurance coverage as required by this Deed of Trust and the other Loan Documents, Beneficiary or Trustee may

purchase insurance at your expense to protect its interest. This insurance may, but may not also protect your interest. If the Collateral becomes damaged, the coverage Beneficiary or Trustee purchases may not pay any claim you make or any claim made against you. You may later request that Beneficiary cancel this coverage by providing evidence that you have obtained property coverage elsewhere.

You are responsible for the cost of any insurance purchased by Beneficiary or Trustee. The cost of this insurance may be added to the Secured Obligation. If the cost is added to the Secured Obligation, the Default Interest Rate 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 Beneficiary or Trustee purchases 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.

7.2.3 WAIVER OF JURY TRIAL. TRUSTOR HEREBY IRREVOCABLY WAIVES ANY RIGHT IT MAY HAVE TO A TRIAL BY JURY IN ANY LEGAL PROCEEDING DIRECTLY OR INDIRECTLY ARISING OUT OF OR RELATING TO THIS DEED OF TRUST OR ANY OTHER LOAN DOCUMENTS AND ANY FUTURE MODIFICATIONS, AMENDMENTS, EXTENSIONS, RESTATEMENTS AND SERVICING ACTIONS RELATING TO THIS DEED OF TRUST AND ANY OTHER LOAN DOCUMENTS. THE PARTIES INTEND THAT THIS JURY WAIVER WILL BE ENFORCED TO THE MAXIMUM EXTENT ALLOWED BY LAW.

7.2.4 OTHER STATUTORY NOTICES. UNDER OREGON LAW, MOST AGREEMENTS, PROMISES AND COMMITMENTS MADE BY THE LENDER CONCERNING LOANS AND OTHER CREDIT EXTENSIONS WHICH ARE NOT FOR PERSONAL, FAMILY OR HOUSEHOLD PURPOSES OR SECURED SOLELY BY THE BORROWER'S RESIDENCE MUST BE IN WRITING, EXPRESS CONSIDERATION AND BE SIGNED BY THE LENDER TO BE ENFORCEABLE.

ORAL AGREEMENT OR ORAL COMMITMENTS TO LOAN MONEY, EXTEND CREDIT, OR TO FORBEAR FROM ENFORCING REPAYMENT OF A DEBT ARE NOT ENFORCEABLE UNDER WASHINGTON LAW.

[Signature page follows]

IN WITNESS WHEREOF, Grantor has duly executed this Deed of Trust as of the date first above written.

GRANTOR:

NATIONAL FROZEN FOODS CORPORATION,
a Washington corporation

By: Frank S. Tiegs
Frank S. Tiegs, Vice President

STATE OF WASHINGTON

COUNTY OF King

This instrument was acknowledged before me on February 21, 2013 by Frank S. Tiegs as Vice President of National Frozen Foods Corporation, a Washington corporation.

Nancy Slocum
Notary Public - State of Washington
Residing at: Seattle
My commission expires: 6/28/15

NANCY SLOCUM
STATE OF WASHINGTON
NOTARY PUBLIC
MY COMMISSION EXPIRES
06-28-15

Beneficiary acknowledges that this Deed of Trust is subject to a security interest in favor of CoBank, ACB (Bank) and by its acceptance hereto and pursuant to and in confirmation of certain agreements and assignments by and between Beneficiary and Bank, does assign, transfer, and set over the same unto Bank, its successors and assigns, to secure all obligations of Beneficiary to Bank, provided that pursuant to such agreements and assignments Beneficiary has authority to perform all loan servicing and collection actions and activities hereunder, including without limitation thereto, releasing in whole or in part and foreclosing judicially or otherwise this Deed of Trust until the Bank, by instrument recorded in the office in which this Deed of Trust is recorded, revokes such authority.

DEED OF TRUST - 26
National Frozen Foods Corporation; Customer No. 79027
PO-353720

RECEIVED
SEP 11 2018
OWRD

**EXHIBIT A
PROPERTY DESCRIPTION**

PARCEL I:

A tract of land in the Laurence S. Helm Donation Land Claim No. 64, in Township 11 South, Range 4 West, of the Willamette Meridian in Linn County, Oregon, described as follows:

Beginning at a 5/8 inch rod, which point is South 88°48'25" East 610 feet from a ½ inch pipe set at the intersection of the North line of the Erwin Ehrlich tract and the East right of way line of the Oregon Electric Railroad Co. as described in a deed recorded in Book 313, page 239, Linn County Deed Records; running thence South 88°48'25" East, along the North line of the said Ehrlich tract 607.27 feet to a 5/8 inch rod; thence South 10°28' West 632.07 feet to the centerline of a 60 foot roadway; thence North 88°38'30" West, along the centerline of said roadway, 507.21 feet; thence North 1°21'30" East 622.36 feet to the point of beginning. SAVE AND EXCEPT right of the public in roads and highways.

(11S-04W-34 TL#813)

PARCEL II:

Parcel A, Partition Plat 1991-27, Linn County, Oregon.

(11S-04W-34 TL#817)

PARCEL III:

Beginning at a 5/8 inch iron rod on the South line of that parcel described in Deed Records Volume 250, Page 62, being 393.23 feet North 89°04'57" East of a ½ inch iron rod which is 797.54 feet North 0°52' West from a point on the North line of, and 471 feet North 89°06' East from the Northwest corner of the Truett Davis DLC No. 38, Township 11 South, Range 4 West, and DLC No. 54, Township 11 South, Range 3 West, Willamette Meridian, Linn County, Oregon; thence North 0°49' West 370.07 feet to a 5/8 inch iron rod; thence North 89°05'48" 510.98 feet to a ½ inch iron rod on the West right of way line of the Southern Pacific Railroad; thence South 0°04'57" West 370.02 feet along the West right of way line to a ½ inch iron rod; thence South 89°04'57" West 505.17 feet to the point of beginning.

PARCEL IV:

Beginning at a 5/8 inch rod on the north right of way line of 34th Avenue that is North 89°06' East 388.97 feet and North 00°54' West 44.00 feet and North 89°05'40" East 432.77 feet from the northwest corner of the Truett Davis Donation Land Claim No. 38 in Township 11 South, Range 4 West and Donation Land Claim No. 54 in Township 11 South, Range 3 West, Willamette Meridian, Linn County, Oregon; thence North 00°50'09" West 313.07 feet to a 5/8 inch rod; thence North 00°50'09" West 350.02 feet to a 5/8 inch rod on the north line of said YMCA Tract; thence North 89°04'28" East 41.00 feet to a 5/8 inch rod at the northeast corner of said YMCA Tract, which point being on

DEED OF TRUST - 27

National Frozen Foods Corporation; Customer No. 79027
PO-353720

RECEIVED

SEP 11 2018

OWRD

west line of said National Tract No. 1; thence North 00°50'09" West 90.59 feet to a 5/8 inch rod on the northerly line of said National Tract No. 1; thence North 89°04'57" East 505.27 feet to a ½ inch rod at the northeast corner of said National Tract No. 1, which point being on the westerly right of way line of the Southern Pacific Railroad; thence South 00°04'15" West, along said westerly right of way line, 753.91 feet to the southeast corner of said National Tract No. 1, which point being on the north right of way line of 34th Avenue; thence South 89°05'40" West, along said northerly right of way line, 534.34 feet to the point of beginning.

PARCELS V AND VI:

Beginning at a point on the Easterly right of way line of the Pacific Highway 99-E North 0°54 ½' West 1167.54 feet and North 88°54 ½' East 66 feet from the Northwest corner of the Truett Davis DLC #38 in Section 13, Township 11 South, Range 4 West of the Willamette Meridian, Linn County, Oregon; thence North 88°54 ½' East 769.23 feet to a ½" rod at the Southwest corner of a tract conveyed to V.V. Erntson by deed recorded October 10, 1957 in Book 256, page 264, Deed Records; thence North 0°11 ½' West 277.35 feet, more or less, to the Northerly rail of the Southern Pacific Spur tract and the South boundary of a tract conveyed to Cummings Transfer and Fuel Company, by deed recorded February 11, 1947 in Book 253, page 49, Deed Records, thence Westerly 10.63 feet along said Northerly rail to the Southwest corner of said Cummings Fuel and Transfer Company tract; thence North 0°54 ½' West 4 feet, more or less, to the Southeast corner of a tract conveyed to Oregon Freeze Dry Foods, Inc., by deed recorded January 16, 1964 in Book 299, page 420, Deed Records; thence Westerly along the Southerly boundary of said Oregon Freeze Dry Foods tract and the Southern boundary of a tract conveyed to Hudson Investment Company by deed recorded February 9, 1948 in Book 199, Page 303, Deed Records, to the Easterly right of way of said Highway; thence South 0°54 ½' East 283 feet, more or less, to the place of beginning, Together with that strip of land between said Cummings Transfer and Fuel Company tract and said V.V. Erntson tract underlying said railroad spur tract.

EXCEPTING a tract described as: Beginning at a point on the Easterly right of way line of the Pacific Highway 99-E, 1217.54 feet North 0°54 ½' West and 66 feet North 88°54 ½' East of the Northwest corner of the Truett Davis DLC No. 38, Township 11 South, Range 4 West of the Willamette Meridian; thence North 88°54 ½' East 150 feet; thence North 0°54 ½' West 200 feet; thence South 88° 54 ½' West 150 feet to the East right of way line of the Pacific Highway; thence South 0° 54 ½' East along the East right of way of said Highway 200 feet to the place of beginning.

(11S-04W-13AD TL#800 AND TL#1100)

PARCEL VII:

Beginning at a ½" iron rod North 0°54 ½' West 1167.54 feet and North 88° 54 ½' East 835.23 feet from the Northwest corner of the Truett Davis DLC 38 in Township 11 South, Range 4 West of the Willamette Meridian in Linn County, Oregon; and running thence North 0° 11 ½' West 267.35 feet to the Southerly rail of the Southern Pacific spur track; thence Easterly and Northerly along said Southerly rail to the West right of way

DEED OF TRUST - 28

National Frozen Foods Corporation; Customer No. 79027
PO-353720

RECEIVED

SEP 11 2018

OWRD

line of the main line of the Southern Pacific Railroad; thence South 0°02' East along said railway to a point North 88°54 ½' East of the place of beginning; thence South 88° 54 ½' West 541.77 feet to the place of beginning.

SAVE AND EXCEPT that portion conveyed to Southern Pacific Transportation Company, by deed dated March 25, 1970, recorded March 25, 1970 in Book 347, page 287, Deed Records.

(11S-04W-13AD TL#700)

PARCEL VIII:

Beginning at the quarter section corner between Section 30 and 31, in Township 11 South, Range 3 West of the Willamette Meridian, Linn County, Oregon and thence along the North section line South 89°34'50" East 1092.85 feet to a point that is 23.69 chains North 89°34'50" West from the Northeast corner of said Section 31; thence South 0°25'23" West 2204.56 feet to the South boundary line of the North half of the Donation Land Claim of R.A. McFarland and wife, same being Notification No. 1936 in Said Township and Range; thence North 89°38'59" West 2365.50 feet along said division line to a point that is 62.37 feet distance from the West boundary line of the Southeast quarter of the Northwest quarter of Section 31; thence North 0°21'24" East 876.34 feet to a point that is South 89°36'53" East 58.53 feet from the Northwest corner of the Southeast quarter of the Northwest quarter; thence South 89°36'53" East 1270.91 feet to a point South 0°32'32" West of the place of beginning; thence North 0°32'32" East 1330.32 feet to the point of beginning.

ALSO: The North half of the Northeast quarter of the Northwest quarter of Section 31, Township 11 South, Range 3 West, Willamette Meridian, Linn County, Oregon except therefrom the following strip of land on the West: Beginning at a point that is 1275.21 feet North 89°34'50" West from the quarter corner between Section 30 and 31 and thence South 0°21'24" West 665.54 feet; thence North 89°35'51" West 55.61 feet to the West line of the East half of the Northwest quarter of Section 31; thence North 0°36'28" East 665.56 feet to the North line of Section 31; thence South 89°34'50" East 52.69 feet to the point of beginning.

(11S-03W-31 TL#200)

PARCEL IX:

The South half of the Northeast quarter of the Northwest quarter of Section 31, Township 11 South, Range 3 West, Willamette Meridian in Linn County, Oregon except therefrom the following strip of land on the West: Beginning at a point that is 1275.21 feet North 89°34'50" West and 665.54 feet South 0°21'24" West from the quarter corner between Section 30 and 31, Township 11 South, Range 3 West, Willamette Meridian, Linn County, Oregon and thence South 0°21'24" West 665.54 feet; thence North 89°36'53" West 58.53 feet to the West line of the East half of the Northwest quarter of Section 31; thence North 0°36'28" East 665.56 feet along said West line to the Northwest corner of the South half of the Northeast of the Northwest quarter of Section 31; thence South 89°35'51" East 55.61 feet to the point of beginning.

DEED OF TRUST - 29

National Frozen Foods Corporation; Customer No. 79027
PO-353720

RECEIVED

SEP 11 2018

OWRD

(11S-03W-31 TL#303)

PARCEL X:

Beginning at the Northeast corner of Section 31 in Township 11 South, Range 3 West of the Willamette Meridian, Oregon, said beginning being also the Northeast corner of the D.L.C. of Ruben A. McFarland and wife, same being Notification No. 1936 in said Township and Range; thence South 33.78 chains, more or less, along the East boundary line of said Section to the Southeast corner of the North half of said D.L.C.; thence West along said division line 23.69 chains; thence North 33.78 chains to the North boundary line of said Section 31, and thence East 23.69 chains to the place of beginning, all lying and being in Linn County, Oregon.

Also, the right to use for road purposes the following described premises, to-wit: Beginning at the Northwest corner of the tract of land above described and running thence West 690 feet; thence South 40 feet; thence East 690 feet; thence North 40 feet to the place of beginning, provided that when said lands shall cease to be used for road purposes the same shall revert to the grantors, their heirs and assigns.

Also, the perpetual right of way over the following strip of land: Commencing 440 feet East of the Southwest corner of the Southeast quarter of Section 30 in Township 11 South, Range 3 West of the Willamette Meridian, Linn County, Oregon; and running thence North 40 feet; thence West to the West boundary line of said Section 30; thence South 40 feet to the South boundary line of said Section 30; thence East to the place of beginning, to be used as a public roadway jointly with others, their heirs and assigns.

(11S-03W-31 TL#100)

PARCEL XI:

Parcel 2, Partition Plat 2010-51, Linn County, Oregon.

(11S-03W-32 TL#200)

DEED OF TRUST - 30
National Frozen Foods Corporation; Customer No. 79027
PO-353720

RECEIVED

SEP 11 2018

OWRD

LINN COUNTY, OREGON 2018-14154
M-MTD
Cnt=4 Stn=38 S. WILSON 08/09/2018 10:41:41 AM
\$45.00 \$15.00 \$11.00 \$60.00 \$19.00 \$160.00



00329788201800141540090095

I, Steve Druckenmiller, County Clerk for Linn County, Oregon, certify that the instrument identified herein was recorded in the Clerk records.

Steve Druckenmiller - County Clerk



AFTER RECORDING RETURN TO:

Northwest Farm Credit Services, PCA
1360 N. 16th Ave
Yakima, WA 98902
Attn: Riley Mengarelli

**MODIFICATION OF DEED OF TRUST, ASSIGNMENT OF RENTS, SECURITY
AGREEMENT AND FIXTURE FILING
(Linn County, Oregon)**

GRANTOR: NATIONAL FROZEN FOODS CORPORATION
GRANTEE/BENEFICIARY: NORTHWEST FARM CREDIT SERVICES, PCA
GRANTEE/TRUSTEE: STEWART TITLE GUARANTY COMPANY
ASSESSOR'S TAX PARCEL ID#S: 11S-04W-34 TL#813; 11S-04W-34 TL#817;
11S-04W-13AD TL#800 AND TL#1100;
11S-04W-13AD TL#700; 11S-03W-31 TL#200;
11S-03W-31 TL#100; 11S-03W-32 TL#200;
11S-03W-31 TL#303
RECORDING NUMBER: 2013-03388

THIS MODIFICATION OF DEED OF TRUST dated August 3, 2018 is made and executed between National Frozen Foods Corporation, a Washington corporation ("Grantor"), and Northwest Farm Credit Services, PCA ("Beneficiary").

RECITALS:

A. Grantor and Beneficiary are parties to that certain Pledge and Security Agreement dated as of February 22, 2013 (the "Security Agreement").

B. The Security Agreement secures, among other things, payment and performance of certain indebtedness, obligations, and liabilities under that certain Term Loan Agreement dated as of February 22, 2013 by and among Grantor, Beneficiary, and other parties thereto, as amended, the "Term Loan Agreement."

C. Grantor and Beneficiary are also parties to that certain Credit Agreement dated as of August 28, 2015, as amended, the "Credit Agreement."

D. Grantor granted Beneficiary a mortgage interest in certain real property as well as collateral interests in rents and fixtures, among other things, pursuant to that certain Deed of Trust, Assignment of Rents, Security Agreement and Fixture Filing dated February 22, 2013, and recorded with Linn County under Recording No. 2013-03388 (the "Trust Deed"), covering the land described in the attached Exhibit A.

RECEIVED

SEP 11 2018

OWRD

E. Grantor has requested that Beneficiary forbear and as a condition to Beneficiary's forbearance, Beneficiary requires, among other things, the Trust Deed to secure the indebtedness, obligations, and liabilities under both the Term Loan and Credit Agreements.

NOW, THEREFORE, in consideration of the foregoing recitals and for other good and valuable consideration, the receipt and sufficiency of which are hereby acknowledged, the parties hereto agree as follows:

AGREEMENT

1. Modifications.

(a) Section 3.1 is hereby amended to include subsection h, which reads as follows:

"All Grantor's present and future Indebtedness and Obligations to Beneficiary, including reasonable attorneys' fees and expenses, and interest, fees, or expenses that accrue after the filing of any proceeding under any Debt Relief Law by Grantor or any Credit Party, regardless of whether allowed or allowable in whole or in part as a claim in any such proceeding."

(b) Subsection 6.1(a) is hereby deleted in its entirety and replaced with the following:

"an Event of Default, as defined in any agreement between Grantor and Beneficiary;"

2. Binding Obligations. The Trust Deed and the other Loan Documents, are, and shall remain, the binding obligations of Grantor and the other Credit Parties, and all of the provisions, terms, stipulations, conditions, covenants, and powers contained therein shall stand and remain in full force and effect, except only as the same are herein and hereby expressly and specifically varied or amended, and the same are hereby ratified or confirmed, and Beneficiary reserves unto itself all rights and privileges granted thereunder.

3. Reaffirmation; Authority. Grantor hereby reaffirms all representations, warranties, covenants, and agreements recited in the Trust Deed and the other Loan Documents as of the Effective Date after giving effect to this Modification, except to the extent of any representations or warranties that expressly refer to an earlier date, and the same hereby adopted as representations, warranties, covenants, and agreements of Grantor herein. Grantor further represents and warrants that it is has full power and authority to execute and deliver this Modification.

4. Expenses. Grantor agrees to pay all reasonable expenses incurred by Beneficiary in connection with this Modification, including but not limited to legal fees and recording fees. Said sums are payable within thirty (30) days after receipt of an invoice and shall be deemed part of the Obligations.

5. Applicable Law. This Modification shall be governed by and construed in accordance with the internal laws of Oregon.

6. Effect of Modification. This Modification modifies and amends the Trust Deed, and the terms and provisions hereof shall supersede and control over any contrary or conflicting terms and provisions set forth in the Trust Deed. The Trust Deed, as modified and amended by this Modification, remains in full force and effect.

7. Execution. This Modification may be executed in multiple counterparts, each of which, when assembled to include a signature by each party contemplated to sign this Modification, shall constitute one complete and fully-executed Modification. Counterparts to this Modification may be executed and delivered by email or facsimile.

8. Headings. Section headings contained herein are for convenience or reference only and shall not govern the interpretation of any of the provisions contained herein.

[Signature page follows]

RECEIVED

SEP 11 2018

OWRD

IN WITNESS WHEREOF, the parties hereto have caused this Modification to be executed as of the day and year first above written.

GRANTOR:

NATIONAL FROZEN FOODS CORPORATION,
a Washington corporation

By: Frank S. Tiegs
Frank S. Tiegs, President

BENEFICIARY:

NORTHWEST FARM CREDIT SERVICES, PCA

By: Brodley G. Gorton
Authorized Agent

RECEIVED

SEP 11 2018

OWRD

STATE OF WASHINGTON)
) ss.
COUNTY OF Franklin)

I certify that I know or have satisfactory evidence that Frank S. Tieg is the person who appeared before me, and said person acknowledged that he signed this instrument, on oath stated that he was authorized to execute the instrument and acknowledged it as President of National Frozen Foods Corporation to be the free and voluntary act of such parties for the uses and purposes mentioned in this instrument.

DATED: 8-2-2018

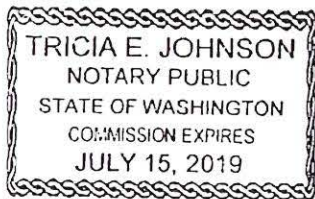


Janelle L. McClory
Printed Name: Janelle L. McClory
NOTARY PUBLIC for the State of Washington,
residing at Richland, WA
My appointment expires: 4-21-2022

STATE OF WASHINGTON)
) ss.
COUNTY OF Spokane)

I certify that I know or have satisfactory evidence that Bradley Stanton is the person who appeared before me, and said person acknowledged that he signed this instrument, on oath stated that he was authorized to execute the instrument and acknowledged it as Auth Agent of Northwest Farm Credit Services, PCA, to be the free and voluntary act of such parties for the uses and purposes mentioned in this instrument.

DATED: 8-7-18



Tricia E. Johnson
Printed Name: TRICIA E. JOHNSON
NOTARY PUBLIC for the State of Washington,
residing at Spokane
My appointment expires: 7-15-19

EXHIBIT A
PROPERTY DESCRIPTION

PARCEL I:

A tract of land in the Laurence S. Helm Donation Land Claim No. 64, in Township 11 South, Range 4 West, of the Willamette Meridian in Linn County, Oregon, described as follows: Beginning at a 5/8 inch rod, which point is South 88°48'25" East 610 feet from a 1/2 inch pipe set at the intersection of the North line of the Erwin Ehrlich tract and the East right of way line of the Oregon Electric Railroad Co. as described in a deed recorded in Book 313, page 239, Linn County Deed Records; running thence South 88°48'25" East, along the North line of the said Ehrlich tract 607.27 feet to a 5/8 inch rod; thence South 10°28' West 632.07 feet to the centerline of a 60 foot roadway; thence North 88°38'30" West, along the centerline of said roadway, 507.21 feet; thence North 1°21'30" East 622.36 feet to the point of beginning. SAVE AND EXCEPT right of the public in roads and highways.
(11S-04W-34 TL#813)

PARCEL II:

Parcel A, Partition Plat 1991-27, Linn County, Oregon.
(11S-04W-34 TL#817)

PARCEL III:

Beginning at a 5/8 inch iron rod on the South line of that parcel described in Deed Records Volume 250, Page 62, being 393.23 feet North 89°04'57" East of a 1/2 inch iron rod which is 797.54 feet North 0°52' West from a point on the North line of, and 471 feet North 89°06' East from the Northwest corner of the Truett Davis DLC No. 38, Township 11 South, Range 4 West, and DLC No. 54, Township 11 South, Range 3 West, Willamette Meridian, Linn County, Oregon; thence North 0°49' West 370.07 feet to a 5/8 inch iron rod; thence North 89°05'48" 510.98 feet to a 1/2 inch iron rod on the West right of way line of the Southern Pacific Railroad; thence South 0°04'57" West 370.02 feet along the West right of way line to a 1/2 inch iron rod; thence South 89°04'57" West 505.17 feet to the point of beginning.

PARCEL IV:

Beginning at a 5/8 inch rod on the north right of way line of 34th Avenue that is North 89°06' East 388.97 feet and North 00°54' West 44.00 feet and North 89°05'40" East 432.77 feet from the northwest corner of the Truett Davis Donation Land Claim No. 38 in Township 11 South, Range 4 West and Donation Land Claim No. 54 in Township 11 South, Range 3 West, Willamette Meridian, Linn County, Oregon; thence North 00°50'09" West 313.07 feet to a 5/8 inch rod; thence North 00°50'09" West 350.02 feet to a 5/8 inch rod on the north line of said YMCA Tract; thence North 89°04'28" East 41.00 feet to a 5/8 inch rod at the northeast corner of said YMCA Tract, which point being on west line of said National Tract No. 1; thence North 00°50'09" West 90.59 feet to a 5/8 inch rod on the northerly line of said National Tract No. 1; thence North 89°04'57" East 505.27 feet to a 1/2 inch rod at the northeast corner of said National Tract No. 1, which point being on the westerly right of way line of the Southern Pacific Railroad; thence South 00°04'15" West, along said westerly right of way line, 753.91 feet to the southeast corner of said National Tract No. 1, which point being on the north right of way line of 34th Avenue; thence South 89°05'40" West, along said northerly right of way line, 534.34 feet to the point of beginning.

PARCELS V AND VI:

Beginning at a point on the Easterly right of way line of the Pacific Highway 99-E North $0^{\circ}54 \frac{1}{2}'$ West 1167.54 feet and North $88^{\circ}54 \frac{1}{2}'$ East 66 feet from the Northwest corner of the Truett Davis DLC #38 in Section 13, Township 11 South, Range 4 West of the Willamette Meridian, Linn County, Oregon; thence North $88^{\circ}54 \frac{1}{2}'$ East 769.23 feet to a $\frac{1}{2}$ " rod at the Southwest corner of a tract conveyed to V.V. Erntson by deed recorded October 10, 1957 in Book 256, page 264, Deed Records; thence North $0^{\circ}11 \frac{1}{2}'$ West 277.35 feet, more or less, to the Northerly rail of the Southern Pacific Spur tract and the South boundary of a tract conveyed to Cummings Transfer and Fuel Company, by deed recorded February 11, 1947 in Book 253, page 49, Deed Records, thence Westerly 10.63 feet along said Northerly rail to the Southwest corner of said Cummings Fuel and Transfer Company tract; thence North $0^{\circ}54 \frac{1}{2}'$ West 4 feet, more or less, to the Southeast corner of a tract conveyed to Oregon Freeze Dry Foods, Inc., by deed recorded January 16, 1964 in Book 299, page 420, Deed Records; thence Westerly along the Southerly boundary of said Oregon Freeze Dry Foods tract and the Southern boundary of a tract conveyed to Hudson Investment Company by deed recorded February 9, 1948 in Book 199, Page 303, Deed Records, to the Easterly right of way of said Highway; thence South $0^{\circ}54 \frac{1}{2}'$ East 283 feet, more or less, to the place of beginning, Together with that strip of land between said Cummings Transfer and Fuel Company tract and said V.V. Erntson tract underlying said railroad spur tract. EXCEPTING a tract described as: Beginning at a point on the Easterly right of way line of the Pacific Highway 99-E, 1217.54 feet North $0^{\circ}54 \frac{1}{2}'$ West and 66 feet North $88^{\circ}54 \frac{1}{2}'$ East of the Northwest corner of the Truett Davis DLC No. 38, Township 11 South, Range 4 West of the Willamette Meridian; thence North $88^{\circ}54 \frac{1}{2}'$ East 150 feet; thence North $0^{\circ}54 \frac{1}{2}'$ West 200 feet; thence South $88^{\circ}54 \frac{1}{2}'$ West 150 feet to the East right of way line of the Pacific Highway; thence South $0^{\circ}54 \frac{1}{2}'$ East along the East right of way of said Highway 200 feet to the place of beginning.

(11S-04W-13AD TL#800 AND TL#1100)

PARCEL VII:

Beginning at a $\frac{1}{2}$ " iron rod North $0^{\circ}54 \frac{1}{2}'$ West 1167.54 feet and North $88^{\circ}54 \frac{1}{2}'$ East 835.23 feet from the Northwest corner of the Truett Davis DLC 38 in Township 11 South, Range 4 West of the Willamette Meridian in Linn County, Oregon; and running thence North $0^{\circ}11 \frac{1}{2}'$ West 267.35 feet to the Southerly rail of the Southern Pacific spur track; thence Easterly and Northerly along said Southerly rail to the West right of way line of the main line of the Southern Pacific Railroad; thence South $0^{\circ}02'$ East along said railway to a point North $88^{\circ}54 \frac{1}{2}'$ East of the place of beginning; thence South $88^{\circ}54 \frac{1}{2}'$ West 541.77 feet to the place of beginning.

SAVE AND EXCEPT that portion conveyed to Southern Pacific Transportation Company, by deed dated March 25, 1970, recorded March 25, 1970 in Book 347, page 287, Deed Records.

(11S-04W-13AD TL#700)

PARCEL VIII:

Beginning at the quarter section corner between Section 30 and 31, in Township II South, Range 3 West of the Willamette Meridian, Linn County, Oregon and thence along the North section line South $89^{\circ}34'50''$ East 1092.85 feet to a point that is 23.69 chains North $89^{\circ}34'50''$ West from the Northeast corner of said Section 31; thence South $0^{\circ}25'23''$ West 2204.56 feet to the South boundary line of the North half of the Donation Land Claim of

R.A. McFarland and wife, same being Notification No. 1936 in Said Township and Range; thence North 89°38'59" West 2365.50 feet along said division line to a point that is 62.37 feet distance from the West boundary line of the Southeast quarter of the Northwest quarter of Section 31; thence North 0°21'24" East 876.34 feet to a point that is South 89°36'53" East 58.53 feet from the Northwest corner of the Southeast quarter of the Northwest quarter; thence South 89°36'53" East 1270.91 feet to a point South 0°32'32" West of the place of beginning; thence North 0°32'32" East 1330.32 feet to the point of beginning.

ALSO: The North half of the Northeast quarter of the Northwest quarter of Section 31, Township 11 South, Range 3 West, Willamette Meridian, Linn County, Oregon except therefrom the following strip of land on the West: Beginning at a point that is 1275.21 feet North 89°34'50" West from the quarter corner between Section 30 and 31 and thence South 0°21'24" West 665.54 feet; thence North 89°35'51" West 55.61 feet to the West line of the East half of the Northwest quarter of Section 31; thence North 0°36'28" East 665.56 feet to the North line of Section 31; thence South 89°34'50" East 52.69 feet to the point of beginning.
(11S-03W-31 TL#200)

PARCEL IX:

The South half of the Northeast quarter of the Northwest quarter of Section 31, Township 11 South, Range 3 West, Willamette Meridian in Linn County, Oregon except therefrom the following strip of land on the West: Beginning at a point that is 1275.21 feet North 89°34'50" West and 665.54 feet South 0°21'24" West from the quarter corner between Section 30 and 31, Township 11 South, Range 3 West, Willamette Meridian, Linn County, Oregon and thence South 0°21'24" West 665.54 feet; thence North 89°36'53" West 58.53 feet to the West line of the East half of the Northwest quarter of Section 31; thence North 0°36'28" East 665.56 feet along said West line to the Northwest corner of the South half of the Northeast of the Northwest quarter of Section 31; thence South 89°35'51" East 55.61 feet to the point of beginning.
(11S-03W-31 TL#303)

PARCEL X:

Beginning at the Northeast corner of Section 31 in Township 11 South, Range 3 West of the Willamette Meridian, Oregon, said beginning being also the Northeast corner of the D.L.C. of Ruben A. McFarland and wife, same being Notification No. 1936 in said Township and Range; thence South 33.78 chains, more or less, along the East boundary line of said Section to the Southeast corner of the North half of said D.L.C.; thence West along said division line 23.69 chains; thence North 33.78 chains to the North boundary line of said Section 31, and thence East 23.69 chains to the place of beginning, all lying and being in Linn County, Oregon.

Also, the right to use for road purposes the following described premises, to-wit: Beginning at the Northwest corner of the tract of land above described and running thence West 690 feet; thence South 40 feet; thence East 690 feet; thence North 40 feet to the place of beginning, provided that when said lands shall cease to be used for road purposes the same shall revert to the grantors, their heirs and assigns.

Also, the perpetual right of way over the following strip of land: Commencing 440 feet East of the Southwest corner of the Southeast quarter of Section 30 in Township 11 South, Range 3 West

of the Willamette Meridian, Linn County, Oregon; and running thence North 40 feet; thence West to the West boundary line of said Section 30; thence South 40 feet to the South boundary line of said Section 30; thence East to the place of beginning, to be used as a public roadway jointly with others, their heirs and assigns.
(11S-03W-31 TL#100)

PARCEL XI:
Parcel 2, Partition Plat 2010-51, Linn County, Oregon.
(11S-03W-32 TL#200)

RECEIVED

SEP 11 2018

OWRD



Oregon

Kate Brown, Governor

Water Resources Department

North Mall Office Building

725 Summer St NE, Suite A

Salem, OR 97301

Phone (503) 986-0900

Fax (503) 986-0904

www.Oregon.gov/OWRD

September 10, 2018

Sheryl Peterson, Trustee
34344 SE Columbus St.
Albany, Oregon 97322

Reference: Transfer T-12671

The assignment by proof from Hugo W. and Olivia Ehrlich to Sheryl Peterson, Personal Rep. of the Estate of Hugo W. Ehrlich has been recorded in the records of the Water Resources Department.

The Departments records will now show Sheryl Peterson, Personal Rep. of the Estate of Hugo W. Ehrlich as the transfer holder of record.

Our records have been changed accordingly and the original request is enclosed. Receipt number 127894 covering the recording fee is also enclosed.

A transfer is not a perfected water right, and has conditions and timelines that must be satisfied prior to a Certificate of Water Right being issued. Please review the transfer to be familiar with the conditions and timelines contained in the transfer.

Sincerely,

Jerry Sauter
Water Rights Program Analyst
Water Right Services Division

Enclosure: Receipt 127894

cc: Watermaster 2
Data Center, OWRD (cover letter & request)
File





Oregon Water Resources Department
 725 Summer Street NE, Suite A
 Salem, Oregon 97301
 (503) 986-0900
 www.wrd.state.or.us

Request for Assignment By Proof of Ownership (If Water Right Holder is Not Available)

If the Department determines that the application is incomplete, fees have not been paid, or the required documents are not acceptable, the application and all fees submitted will be returned to the applicant.

If for multiple rights, a separate form and fee for each right will be required.

I, Sheryl Peterson, Pers. Rep. of the Estate of Hugo W. Ehrlich, Linn County Case No 21993
 (Name of Party Requesting Assignment)

34344 SE Columbus St. Albany OR 97322 541-510-0222
 (Mailing Address) (City) (State) (Zip) (Phone #)

- X hereby request assignment of an entire application/permit/transfer/limited license/groundwater statement; hereby request
 assignment of a portion of application/permit/transfer/limited license/groundwater statement; (You must include a map showing the portion of the application/permit/ transfer/limited license/groundwater statement to be assigned.)

Application # GR-2208 ; Permit # _____ ; Transfer # T-12671 ;
 Limited License # _____ ; Groundwater Statement # _____

Hugo W. and Olivia Ehrlich
 (Name of Current Holder of Record)

34344 SE Columbus St. Albany OR 97322 541-510-0222
 (Mailing Address) (City) (State) (Zip) (Phone #)

Note: Write the initials (first letters) of your first and last names at the spots indicated below _____.

- 1) SE I certify that I am the current owner of the property described in this application, permit, transfer order, limited license, or groundwater statement. I have attached proof of ownership that may include but not be limited to: a copy of the deed to the land, a copy of a land sales contract, a court order or decree, documentation of survivorship of property held jointly. The Department cannot accept a copy of a tax statement.
- 2) SE I have the legal right to request assignment under OAR 690-310-0280 and 690-320-0060.
- 3) SE I have not been able to contact the owner(s) of record for the above referenced transaction. I have attached proof acceptable to the Department that notice of the assignment has been given or attempted for each identified property owner not a party to the assignment. ORS 537.220(2) Failure to submit this proof will result in the return of your request. (Proof may include but not be limited to: a copy of returned certified mailing, copy of a Death Certificate, or a court order.)
- 4) SE I further certify that the information provided herein is true and correct to the best of my knowledge.

Witness my hand this 31st day of August, 20 18.
 (Day) (Month) (Year)

Signature of Party Requesting Assignment [Signature] *personal rep.*
 Failure to provide any of the required information will result in the return of your application.

Assign Proof
 8/5/18
 HR

DO NOT WRITE IN THIS BOX

This certifies assignment and record change at Oregon Water Resources Department effective 8:00 a.m. on date of receipt at Salem, Oregon.
 Fee receipt # 127894
 For Director by Jerry Sauter, Program Analyst in Water Rights Division [Signature]

The completed "Request for Assignment" form *must* be submitted to the Department along with the recording fee of \$100.

assignment if Permit Holder not available

WR

STATE OF OREGON)
) ss.
County of Lane)

I, SHERYL PETERSON, being first duly sworn, depose and say that I am the appointed and qualified Personal Representative of the **Estate of Hugo W. Ehrlich**, Linn County Circuit Court Case No. 21993. I make this Affidavit in support of a request for Assignment by Proof of Ownership, as requested by the Oregon Water Resources Department.

My grandmother, Olivia Ehrlich died February 20, 1984. Her estate was probated as Linn County Circuit Court Case No. 14753. My uncle, Hugo Ehrlich, inherited my grandmother's share of the farm property associated with the water rights in question.

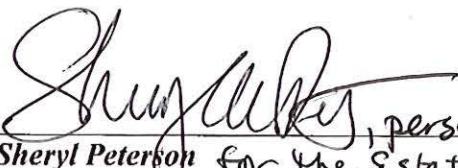
My uncle, Hugo W. Ehrlich, died in September of 2005 and I was appointed the Personal Representative of his estate and continue to serve in that capacity. The only requirement remaining in the final transfer of the water rights in question.

The estate of Hugo W. Ehrlich is processed as Linn County Circuit Court Case No. 21993.

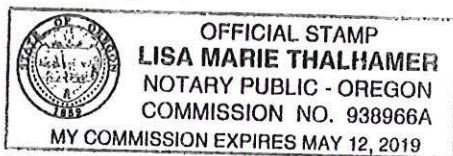
My uncle, Hugo W. Ehrlich, served as Co-Personal Representative of my grandmother, Olivia Ehrlich's estate. Since both my grandmother and my uncle are deceased, I cannot contact them. I am the legal representative of my uncle, Hugo W. Ehrlich's estate.

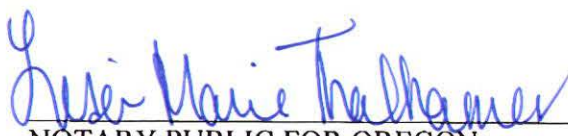
I am also the Trustee of the Hugo Ehrlich Trust. As both Personal Representative and Trustee, I have the sole legal authority to act on behalf of the assets belonging to Hugo Ehrlich. Attached to this Affidavit is a copy of the General Judgment directing me to distribute the assets of the Estate into the Hugo Ehrlich Trust. My authority remains until I am no longer required to act in the role of the Personal Representative. That role ends as soon as the Oregon Water Resources Department requires no additional documents for me to sign.

DATED this 31st day of August, 2018.


Sheryl Peterson, personal representative
for the Estate of Hugo W. Ehrlich

PERSONALLY APPEARED the above-named **Sheryl Peterson** and acknowledged the foregoing instrument to be her voluntary act and deed.




Lisa Marie Thalhammer exp: 05/12/19
NOTARY PUBLIC FOR OREGON

1
2
3
4
5
6
7
8
9
10
11
12
13
14
15
16
17
18
19
20
21
22
23

IN THE CIRCUIT COURT OF THE STATE OF OREGON
FOR THE COUNTY OF LINN

In the Matter of the Estate
Of
HUGO W. EHRLICH,
Deceased

Case No. 21993
**GENERAL JUDGMENT APPROVING
VERIFIED STATEMENT AND FINAL
DISTRIBUTION**

This matter having come before this Court upon the petition of **Sheryl Peterson**, the duly appointed and acting Personal Representative of the above-named estate for a General Judgment of Distribution, and the time for filing objections having passed with no objections filed, the court finds that:

1.

All Oregon income tax returns required and any income taxes due and payable to the State of Oregon have been filed and the taxes due paid in full; any property taxes due the State of Oregon have been paid in full; all income tax returns required and any income taxes due and payable to the Internal Revenue Service have been filed and the taxes due paid in full.

2.

The Personal Representative is entitled to compensation from the estate in the amount of \$87,772.78 for services as provided in ORS 116.173.

3.

The Personal Representative shall maintain vouchers for a period not less than one year following the date the Order Approving Verified Statement is entered, and shall

1 - GENERAL JUDGMENT APPROVING
VERIFIED STATEMENT AND FINAL
DISTRIBUTION

Weatherford Thompson, P.C.
130 W. First Avenue, PO Box 667
Albany OR 97321
Telephone: (541) 926-2255 Facsimile: (541) 967-6579

1 permit interested persons to inspect the vouchers and receive copies at their own
2 expense at the place of business of the Personal Representative during the Personal
3 Representative's normal business hours.

4 4.

5 The attorney's fees and costs owed to Weatherford Thompson as reasonable
6 attorney's fees for services rendered in connection with the administration of this estate,
7 shall be paid from the administration and closing of the Hugo Ehrlich Trust.

8 5.

9 All remaining assets on hand and in the possession of the personal
10 representative shall be distributed as set forth in ARTICLE 5 of the decedent's Last Will
11 and Testament to Sheryl Peterson, Trustee of the Hugo Ehrlich Trust.

12 THEREFORE, IT IS ORDERED, ADJUDGED AND DECREED as follows:

13
14 1. The Verified Statement and Petition for General Judgment of Distribution
15 is approved.

16 2. The absence of vouchers is approved subject to the requirements of ORS
17 116.083(2)(A)(B)(C) and the conditions of paragraph 4 above.

18 3. The payment of \$87,772.78 to Sheryl Peterson, as the statutory Personal
19 Representative's Fee per ORS 116.173, is approved.

20 3. The attorney's fees owed to Weatherford Thompson shall be paid
21 out of the Hugo Ehrlich Trust.

22 4. The Personal Representative is directed to make distribution of the
23 remaining estate property to Sheryl Peterson, Trustee of the Hugo Ehrlich Trust.

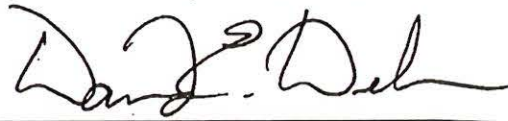
2 - GENERAL JUDGMENT APPROVING
VERIFIED STATEMENT AND FINAL
DISTRIBUTION

Weatherford Thompson, P.C.
130 W. First Avenue, PO Box 667
Albany OR 97321
Telephone: (541) 926-2255 Facsimile: (541) 967-6579

1 5. Upon filing receipts showing payment and distribution as herein directed,
2 the Personal Representative shall be discharged and the estate closed.

3 Dated: Nov. 30, 2017.

Signed: 11/30/2017 11:01 AM

4
5 

6
7 **David E. Delsman, Circuit Court Judge**

8 **SUBMITTED BY: EDWARD F. SCHULTZ, OSB #722300**

9
10
11 ML:N:\ATTY\IEFS\Estate\Ehrlich, Hugo\General Judgment Approving Verified Statement.doc.docx

12
13
14
15
16 Submitted by:
17 Edward F. Schultz, OSB #722300
18 Weatherford Thompson
19 130 1st Ave. W.
20 P.O. Box 667
21 Albany, OR 97321
22 Telephone: (541) 926-2255
23 Facsimile: (541) 967-6579
E-mail: eschultz@wtlegal.com

Petitioner:
Sheryl Peterson
3700 Babcock LN – Unit 114
Eugene, OR 97401

3 – GENERAL JUDGMENT APPROVING
VERIFIED STATEMENT AND FINAL
DISTRIBUTION

Weatherford Thompson, P.C.
130 W. First Avenue, PO Box 667
Albany OR 97321
Telephone: (541) 926-2255 Facsimile: (541) 967-6579

1
2
3
4
5
6
7
8
9
10
11
12
13
14
15
16
17
18
19
20
21
22
23

**IN THE CIRCUIT COURT OF THE STATE OF OREGON
FOR THE COUNTY OF LINN**

In the Matter of the Estate
of
Hugo W. Ehrlich, Jr.,
Deceased.

Case No. 21993
CERTIFICATE OF READINESS

The undersigned counsel for the Personal Representative hereby certifies as follows with respect to the General Judgment Approving Verified Statement and Final Distribution:

This proposed Order or Judgment is ready for judicial signature because:

- 1. Each opposing party affected by this Order or Judgment has stipulated to the Order or Judgment, as shown by each opposing party's signature on the document being submitted.
- 2. Each opposing party affected by this Order or Judgment has approved the Order or Judgment, as shown by signature on the document being submitted or by written confirmation of approval sent to me.
- 3. I have served a copy of this Order or Judgment on all parties entitled to service and:
 - a. No objection has been served on me.

1
2
3
4
5
6
7
8
9
10
11
12
13
14
15
16
17
18
19
20
21
22
23

b. I received objections that I could not resolve with the opposing party despite reasonable efforts to do so. I have filed a copy of the objections I received and indicated which objections remain unresolved.

c. After conferring about objections, [role and name of opposing party] agreed to independently file any remaining objection.

4. The relief sought is against an opposing party who has been found in default.


5. An Order of Default is being requested with this proposed Judgment.

6. Service is not required pursuant to subsection (3) of this rule, or by statute, rule, or otherwise.

7. This is a proposed Judgment that includes an award of punitive damages and notice has been served on the Director of the Crimes Victims' Assistance Section as required by subsection (4) of this rule.

DATED this 28th day of November, 2017.

WEATHERFORD THOMPSON


Edward F. Schultz, OSB #722300
Of Attorneys for the
Personal Representative



Oregon
Kate Brown, Governor

Water Resources Department

725 Summer St NE, Suite A

Salem, OR 97301

(503) 986-0900

Fax (503) 986-0904

August 28, 2018

The Estate of Hugo W. Ehrlich
By Sheryl Peterson as Personal Representative
34344 SE Columbus St
Albany, OR 97321

REFERENCE: Groundwater Registration Modification T-12671

The Department is currently waiting on submittal of the required item in order to continue review of your Groundwater Registration Modification regarding Registration Application GR-2208 (Certificate GR-2113), as a request was made March 27, 2018, and April 30, 2018. The most recent deadline was August 24, 2018, and the request has not been fulfilled:

- Department records show that Hugo W. and Olivia Ehrlich are the registration certificate holders of record. Pursuant to OAR 690-382-0300(1)(a)(b), a Request for Assignment and statutory fee needs to be submitted for Registration Application GR-2208 (Certificate GR-2113), if the applicant owns the land to which the registration is appurtenant and is **not** the registration certificate holder of record. Since the Estate is the applicant, Registration Application GR-2208 (Certificate GR-2113) needs to be in the name of the Estate which is a separate entity.

If we do not receive the item listed above by October 12, 2018, a Preliminary Determination shall be issued denying the application as incomplete.

Please do not hesitate to contact me, at corey.a.courchane@oregon.gov or (503) 986-0825, if I may be of assistance.

Sincerely,

Corey Courchane
Transfer Specialist
Transfer and Conservation Section

cc: Lanaya Blakely, Watermaster, District 2
Ian McGuire, Agent

COURCHANE Corey A * WRD

From: Ian McGuire <imcguire@kdeng.com>
Sent: Friday, July 20, 2018 9:55 AM
To: COURCHANE Corey A * WRD
Subject: RE: Ehrlich, T-12672

Corey,

I tried contacting NFF today and had to leave a voicemail. I ask that you give us 1 more month to try and get the assignment completed. I was not copied on the original correspondence despite being listed as the agent, the client has health issues and did not notify me of the original letters that were sent out. Please let me know if this is acceptable.

Ian

From: COURCHANE Corey A * WRD [mailto:Corey.A.Courchane@oregon.gov]
Sent: Friday, July 20, 2018 7:00 AM
To: Ian McGuire
Subject: RE: Ehrlich, T-12672

Good morning Ian,

Just checking in to see if there's been any movement on the assignment. I am showing today as the deadline before the Department moves forward with a denial. Let me know if you need anything else.

Thank you,

Corey Courchane

**COREY A COURCHANE | TRANSFER SPECIALIST
TRANSFER AND CONSERVATION SECTION**

Water Resources Department | 725 Summer St. NE, Suite A | Salem, Oregon 97301

Ph: 503 986-0825 | Fax: 503 986-0901

Email: corey.a.courchane@oregon.gov | Web: <http://www.oregon.gov/OWRD>

From: Ian McGuire [mailto:imcguire@kdeng.com]
Sent: Wednesday, June 13, 2018 11:37 AM
To: COURCHANE Corey A * WRD
Subject: RE: Ehrlich, T-12672

Thanks Corey,

I talked with the new plant manager at National Frozen Foods just now about signing the request for assignment. He sounded unsure and wanted to talk to their legal team which he is scheduled to do in early July. I am hopeful we will have the assignment to you then.

Ian

From: COURCHANE Corey A * WRD [mailto:Corey.A.Courchane@oregon.gov]
Sent: Wednesday, June 13, 2018 11:27 AM
To: Ian McGuire
Subject: RE: Ehrlich, T-12672

A copy of the current deed should suffice. No death certificates needed.

Corey

From: Ian McGuire [mailto:imcguire@kdeng.com]
Sent: Wednesday, June 13, 2018 10:58 AM
To: COURCHANE Corey A * WRD
Subject: RE: Ehrlich, T-12672

Corey,

Do we need to track down death certificates for Olivia and Hugo? Or is a copy of the current deed all we need?

Ian

From: COURCHANE Corey A * WRD [mailto:Corey.A.Courchane@oregon.gov]
Sent: Wednesday, June 13, 2018 10:40 AM
To: Ian McGuire
Subject: RE: Ehrlich, T-12672

Ian,

T-12671- yes for assignment by proof, as the GR is not in the name of the applicant.

T-12672- no assignment needed as it is a certificated right appurtenant to the land, and we have a Consent by deeded landowner, ready to move forward with issuance of draft Preliminary Determination.

Thank you,

Corey

From: Ian McGuire [mailto:imcguire@kdeng.com]
Sent: Wednesday, June 13, 2018 9:22 AM
To: COURCHANE Corey A * WRD
Subject: RE: Ehrlich, T-12672

Corey,

I just talked to Jerry Sauter and I think I know what we need but I just wanted to send you an e-mail to verify what you need to make sure I am correctly grasping what is required and get it all taken care of at once, instead of getting you one form only to realize you need another additional form.

For Transfer T-12671 – GR Modification Cert GR-2113

National Frozen Foods is the owner of the "from" lands. The groundwater registration is over land owned by Justin Gross and National Frozen Foods. Am I correct in stating that what you need in order to issue a PFO on this transfer is an Assignment by Proof of Ownership for the portion of the right on National Frozen Foods Property (also happen to be all of the "from" lands)?

For Transfer T-12672 – Certificate 57086

National Frozen Foods is also the owner of the "from" lands. Do we also need an assignment by proof of ownership to transfer this right? I don't believe this was discussed but it seems like it is a similar scenario to Transfer T-12671.

Please verify if the assignment by National Frozen Foods is the correct form for one or both of these rights, and let me know if any additional forms or modifications to the transfer forms are required in order to complete these two transfers.

Additionally I ask that I be included in all correspondence regarding these two transfers. I did not receive the April 30, 2018 letter concerning Transfer T-12671, despite being listed as the agent. We are now up against contract deadlines and this could have been taken care of 2 months ago.

I apologize for being slow to understand what we need and thank you for your patience.

Thanks,

Ian

From: COURCHANE Corey A * WRD [mailto:Corey.A.Courchane@oregon.gov]

Sent: Wednesday, June 13, 2018 8:39 AM

To: Ian McGuire

Subject: RE: Ehrlich, T-12672

Ian,

The Affidavit of Consent only grants the applicant authority to pursue the transfer. Any application received by the Department has to be in the name of the permit/registration holder of record. Since the applicant is the Estate, and not Hugo or Olivia, an assignment has to be completed. The affidavit of consent doesn't accomplish this step. Without an assignment (assignment by proof can work) the GR Mod wouldn't be able to move forward. Any questions regarding the assignment, I would suggest calling Jerry Sauter at (503) 986-0817.

Thank you,

Corey

From: Ian McGuire [mailto:imcguire@kdeng.com]

Sent: Wednesday, June 13, 2018 8:12 AM

To: COURCHANE Corey A * WRD

Subject: RE: Ehrlich, T-12672

Corey,

I am a little confused on the assignment. The Current Holder of Record is Hugo and Olivia Ehrlich and they are not alive to sign, though Sheryl Peterson has the legal ability to sign on behalf of Hugo. National Frozen Foods is the property owner but they have already signed an affidavit of consent for the transfer and it seems silly to assign them the rights (which would have to be the different assignment) only to transfer the rights to Justin Gross' land. I know not that long ago the OWRD would do these transfers without assignments, can they make an exception here? If not I would like to clear up what exactly we need so that I get the proper form signed the first time. Do we need to do an assignment by proof of ownership? In the name of National Frozen Foods?

Sorry if I am making this more difficult than it needs to be, it is just a struggle on this one with all the different parts involved. Please confirm exactly what is needed when you get a chance and hopefully I am able to get ahold of whoever needs to sign the assignment in the timeframe given by the OWRD.

Thanks,

Ian

From: COURCHANE Corey A * WRD [mailto:Corey.A.Courchane@oregon.gov]

Sent: Wednesday, June 13, 2018 7:16 AM

To: Ian McGuire
Subject: RE: Ehrlich, T-12672

Ian,

Thank you for the info. I did see the Affidavit of Consent by Landowner signed by the plant manager for National Frozen Foods. This should make things easier. The Affidavit is essential for the transfer to take place, however they would still need to submit the Request for Assignment in order to change ownership of the Groundwater Registration. They will need another signature to get that submitted.

Thank you,

Corey

From: Ian McGuire [mailto:imcguire@kdeng.com]
Sent: Tuesday, June 12, 2018 3:40 PM
To: COURCHANE Corey A * WRD
Subject: RE: Ehrlich, T-12672

Corey,

One more little piece of info I just thought of is that National Frozen Foods, who currently owns the "from" lands in our GR-Modification request signed an affidavit of consent to transfer the water rights. I was reminded of this when talking to the attorney for the estate of Hugo Ehrlich. Hugo and Olivia have both passed away and Sheryl Peterson is the only remaining family member and she is a legal representative with the power to sign for Hugo (Olivia was Hugo's mom). Justin Gross is now the owner of the "To" lands in this GR Modification. The Ehrlich Estate sold the land to Justin on the condition that the water rights be transferred. Once the parties realized how long the water rights took to transfer they agreed to go through with the sale but withhold some money contingent on the transfer. That is why I am getting a lot of pressure to get this done by some mid-August deadline and why I am asking you about when you think this can be completed.

I apologize for not giving you this information earlier but as you have probably encountered it is real difficult to turn something in then be very knowledgeable about it a year later. Hopefully this information helps you and Jerry in determining what we need, it is possible that you already have what you need in the Affidavit of Consent from National Frozen Foods. Please call or e-mail with any questions or requests for additional information.

Ian

From: COURCHANE Corey A * WRD [mailto:Corey.A.Courchane@oregon.gov]
Sent: Tuesday, June 12, 2018 1:35 PM
To: Ian McGuire
Subject: RE: Ehrlich, T-12672

Ian,

Let me talk to Jerry Sauter, our resident assignment guru to see how we can get the assignment accomplished. I'll get back to you, may not be until tomorrow morning.

Regarding T-12672; I would like to issue it concurrently with T-12671, but I can continue moving it forward if that is what the applicant wishes. I could have the draft Preliminary Determination issued within the next week. Once the applicant receives the DPD, they would have to submit report of ownership ("FROM" lands) from the title company. Issuing the Preliminary Determination would be the next step, followed by 30 day protest period upon public notice in the Department's weekly publication. We could have this done by August 15 if I proceed now. Let me know what you would like me to do.

Thank you,

Corey

From: Ian McGuire [mailto:imcguire@kdeng.com]
Sent: Tuesday, June 12, 2018 11:52 AM
To: COURCHANE Corey A * WRD
Subject: RE: Ehrlich, T-12672

Hey Corey,

Thanks for updating this. I just left you a voicemail but I am running into an issue with the assignment. The property is now owned by National Frozen foods which is the "from" land in the GR Modification. This was all part of a sale of the property. The land was to be sold but the water rights transferred and retained. It looks to me like we are in a bit of a pickle here and I am not exactly sure what we are supposed to do to resolve this issue. It may be difficult to track someone down at National Frozen Foods to sign the assignment and I am not entirely positive how to fill out the assignment so that the right is assigned to the Estate of Hugo Ehrlich when National Frozen foods is the owner. I would greatly appreciate a little help in figuring out what exactly the OWRD needs from us in order to move forward with the GR Modification.

Additionally I was curious if you had an estimated timeline on T-12672. The client is hopeful that it will be finalized by August 15, I am not sure if that is possible but was wondering if you knew about when we can expect this?

Let me know if you have any additional questions and I can try to work through them or get you additional information.

Thanks,

Ian

From: COURCHANE Corey A * WRD [mailto:Corey.A.Courchane@oregon.gov]
Sent: Tuesday, June 12, 2018 11:43 AM
To: imcguire@kdeng.com
Subject: Ehrlich, T-12672

Ian,

The revised map has been uploaded to WRIS. Attached is the letter I sent for T-12671. Let me know if you need anything else.

Thank you,

Corey Courchane

**COREY A COURCHANE | TRANSFER SPECIALIST
TRANSFER AND CONSERVATION SECTION**

Water Resources Department | 725 Summer St. NE, Suite A | Salem, Oregon 97301

Ph: 503 986-0825 | Fax: 503 986-0901

Email: corey.a.courchane@oregon.gov | Web: <http://www.oregon.gov/OWRD>



Oregon

Kate Brown, Governor

Water Resources Department
725 Summer St NE, Suite A
Salem, OR 97301
(503) 986-0900
Fax (503) 986-0904

April 30, 2018

The Estate of Hugo W. Ehrlich
By Sheryl Peterson as Personal Representative
34344 SE Columbus St
Albany, OR 97321

REFERENCE: Groundwater Registration Modification T-12671

The Department is currently waiting on submittal of the required item in order to continue review of your Groundwater Registration Modification regarding Registration Application GR-2208 (Certificate GR-2113), as a request was made March 27, 2018, and not received:

- Department records show that Hugo W. and Olivia Ehrlich are the registration certificate holders of record. Pursuant to OAR 690-382-0300(1)(a)(b), a Request for Assignment and statutory fee needs to be submitted for Registration Application GR-2208 (Certificate GR-2113), if the applicant owns the land to which the registration is appurtenant and is **not** the registration certificate holder of record. Since the Estate is the applicant, Registration Application GR-2208 (Certificate GR-2113) needs to be in the name of the Estate which is a separate entity.

The Department understands this is a busy time of year, and is willing to grant additional time in order to submit the request for assignment. **If we do not receive the item listed above by June 1, 2018, a Preliminary Determination shall be issued denying the application as incomplete.**

Please do not hesitate to contact me, at corey.a.courchane@oregon.gov or (503) 986-0825, if I may be of assistance.

Sincerely,

Corey Courchane
Transfer Specialist
Transfer and Conservation Section

cc: Lanaya Blakely, Watermaster, District 2

*As of 6/5/18
no response
cc*



Oregon
Kate Brown, Governor

Water Resources Department
725 Summer St NE, Suite A
Salem, OR 97301
(503) 986-0900
Fax (503) 986-0904

March 27, 2018

The Estate of Hugo W. Ehrlich
By Sheryl Peterson as Personal Representative
34344 SE Columbus St
Albany, OR 97321

REFERENCE: Groundwater Registration Modification T-12671

The Department has completed an initial review of your Groundwater Registration Modification regarding Registration Application GR-2208 (Certificate GR-2113). There is a deficiency that needs to be resolved before we can continue processing your application:

- Department records show that Hugo W. and Olivia Ehrlich are the registration certificate holders of record. Pursuant to OAR 690-382-0300(1)(a)(b), a Request for Assignment and statutory fee needs to be submitted for Registration Application GR-2208 (Certificate GR-2113), if the applicant owns the land to which the registration is appurtenant and is **not** the registration certificate holder of record. Since the Estate is the applicant, Registration Application GR-2208 (Certificate GR-2113) needs to be in the name of the Estate which is a separate entity.

If the Department does not receive the above requested materials by April 27, 2018, a Preliminary Determination may be issued denying the application as incomplete.

Please do not hesitate to contact me, at corey.a.courchane@oregon.gov or (503) 986-0825, if I may be of assistance.

Sincerely,

*Bot 4/30/18
- No response
CC*

Corey Courchane
Transfer Specialist
Transfer and Conservation Section

cc: Lanaya Blakely, Watermaster, District 2

enclosures



Oregon Water Resources Department
725 Summer Street NE, Suite A
Salem, Oregon 97301-1266
(503) 986-0900
www.wrd.state.or.us

Watermaster Review Form: Water Right Transfer

Transfer Application: T-12671

Review Due Date: 6/23/17

Applicant Name: The Estate of Hugo W Ehrlich by Sheryl Perterson as Personal Representative

Proposed Changes: POU POD POA USE OTHER

Reviewer(s): Lanaya Blakely

Date of Review: Oct. 13, 2017

1. Do you have evidence that the right has not been used in the last 5 years and that the presumption of forfeiture would not likely be rebuttable? Yes No If "yes", attach evidence (e.g. dated aerial photo showing pavement or building on the land for >5 yrs.)
2. Is there a history of regulation on the source that serves this (or these) right(s) that has involved the transferred right(s) and downstream water rights? Yes No
Generally characterize the frequency of any regulation or explain why regulation has not occurred: _____
3. Have headgate notices been issued for the source that serves the transferred right(s)?
 Yes No Records not available.
4. In your estimation, after the proposed change would distribution of water for the right(s) result in regulation of other water rights that would not have occurred if use under the original right(s) was/were maximized?
 Yes No If "Yes", explain: _____
5. In your estimation, if the proposed change is approved, are there upstream water rights that would be affected? Yes No If "Yes", describe how the rights would be affected and list the rights most affected: _____
6. Check here if it appears that downstream water rights benefit from return flows resulting from the current use of the transferred right(s)? If you check the box, generally characterize the locations where the return flows likely occur and list the water rights that benefit most: _____ N/A
7. For POD changes and instream transfers, check here if there are channel losses between the old and new PODs or within the proposed instream reach? If you check the box, describe and, if possible, estimate the losses: _____ N/A
8. For instream transfers that propose protection of a reach beyond the mouth of the source stream: N/A Would the quantity be measureable into the receiving stream consistent with OAR 690-077-0015(8)? Yes No
9. For POU changes: N/A Is it likely the original place of use would continue to receive water from the same source? Yes No If "Yes", explain: _____

10. For POU or USE changes: N/A In your best judgment, would use of the existing right at "full face value," result in the diversion of more water than can be used beneficially and without waste? Yes No If "Yes", explain: _____
11. Are there other issues not identified through the above questions that should be considered in determining whether the change "can be effected without injury to other rights"? Yes No If "Yes", explain: _____
12. What alternatives may be available for addressing any issues identified above: _____
13. Do conditions need to be included in the transfer order to avoid enlargement of the right or injury to other rights? No Yes, as checked below:

- A Headgate should be required prior to diverting water.
- Measurement Devices for POD or POA: (if this condition is selected, also fill in the top sections of page 3)

a. *Before water use may begin under this order, the water user shall install a **totalizing flow meter***, or, with prior approval of the Director, another suitable measuring device, at each point of diversion/appropriation (new and existing) or at each new point of diversion/appropriation.*

b. *The water user shall maintain the meters or measuring devices in good working order.*

c. *The water user shall allow the Watermaster access to the meters or measuring devices; provided however, where the meters or measuring devices are located within a private structure, the Watermaster shall request access upon reasonable notice.*

- Reservoir water use measurement: (if this condition is selected, also fill in the top sections of page 3)

a. *Before water use may begin under this order, the water user shall install **staff gages***, or, with prior approval of the Director, other suitable measuring devices, that measure the entire range and stage between empty and full in each reservoir. Staff gages shall be United States Geological Survey style.*

b. *Before water use may begin under this order, if the reservoir is located in channel, weirs or other suitable measuring devices must be installed upstream and downstream of the reservoir, and, an adjustable outlet valve must be installed. The water user shall maintain such devices in good working order. A written waiver may be obtained, if in the judgment of the Director, the installation of weirs or other suitable measuring devices, or the adjustable outlet valve, will provide no public benefit.*

*** The following alternative device(s) should be substituted for the bold, underlined device in the above selected condition:**

- Weir
- Parshall Flume
- Other: _____
- Submerged Orifice
- Flow Restrictor



Oregon

Kate Brown, Governor

Water Resources Department

North Mall Office Building
725 Summer St NE, Suite A
Salem, OR 97301
Phone (503) 986-0900
Fax (503) 986-0904
www.wrd.state.or.us

May 24, 2017

THE ESTATE OF HUGO W EHRlich
BY SHERYL PERTERSON AS PERSONAL REPRESENTATIVE
34344 SE COLUMBUS ST
ALBANY, OR 97321

Reference: Application T- 12671

On May 18, 2017, we received your water right Transfer application. The application was accompanied by \$875.00. Our receipt number 123439 is enclosed.

By copy of this letter, we are asking the Watermaster for a report regarding the potential for injury to existing water rights which may be caused by the requested change.

Your application will be examined to determine whether additional information is needed. We will notify you if further information or corrections to the application or map are required.

This application may require publication of a notice for two consecutive weeks in a newspaper with general circulation in the area where the water right is located. If it is determined that newspaper notice will be required, the Department will prepare the notice and notify you of the cost. You will be responsible for submitting payment to the Department prior to publication of the notice.

You may not use water for in the new place of use until a final order approving recognition of the ground water registration modification application has been issued by the Department. If the land is sold before the modification is approved, the buyer's consent to the modification will be required unless a recorded deed or other legal document clearly established that the ground water registration was not conveyed in the sale.

Refer to the following page for a chart showing the steps and expected timelines for the processing of your application.

If you have any questions, please contact the Transfer Section at (503) 986-0807.

Cc: Watermaster Dist. #2 (via email)
Ian McGuire, Agent
Landowners (other or receiving)

Enclosure



Transfer Applications: Ground Water Registration Modification

The holder of a ground water certificate of registration may request that the Department recognize a change in point of appropriation, place of use or character of use under the ground water registration. Modifications of ground water registrations are authorized under ORS 537.610(4) and OAR Chapter 382.

The Department seeks public comment on the recently-filed applications for recognition of modifications in ground water registrations listed below. Any person may comment on an application for a ground water registration modification. Comments must be received by the Department on or before June 29, 2017. Any person who provides comments within the comment period will receive a copy of the Department's preliminary determination of whether the application should be recognized after the Department has completed a review of the application and will be provided an opportunity to protest the application and preliminary determination at that time.

| | |
|--------------------|---|
| Transfer | 4/11/17 |
| Water Right | Claim:GR 2208 |
| County/Basin | Linn / Willamette(2) |
| Applicant Name | THE ESTATE OF HUGO W EHRLICH BY SHERYL PERTERSON AS PERSONAL REPRESENTATIVE 34344 SE COLUMBUS ST ALBANY, OR 97321 |
| Proposed Change | PLACE OF USE |
| Sources/TRSQ40Q160 | A WELL > OAK CREEK / 11.00S 3.00W 32 NENW |
| Use/Quantity | IRRIGATION / 0.390 CFS |
| Priority Date | 10/01/1952 |

Groundwater Registration Modification (GR Mod) Application Checklist

Checked by Codi H Date 5/18/17

(If OK, check box to left; if not, fill in the blank)

1. Is the name of the GR Mod applicant(s) the same as the GR claim holder(s) of record?
If not, one of the following must be included with the application:
- a) A written statement from the GR claim holder, consenting to the proposed GR Mod Application (if the GR claim holder(s) of record is the current property owner), **OR**.
 - b) A concurrent "Request for Assignment" to move the GR claim into the GR Mod applicant's name must be submitted (if the GR Mod applicant(s) is the current property owner), **OR**
 - c) A concurrent "Request for Assignment" to move the GR claim into the name of a third party (who now owns the property) must be submitted, **and** the third party will need to provide a written statement consenting to the proposed GR Mod Application.

If not, what is missing? _____

2. Page 1 of application: Are all attachments that have been checked actually included?
If not, what is missing? _____

3. Are fees included and correct?
If not, the correct fee would be: 875⁰⁰, so the amount missing is: _____
- If application proposes ONLY a change in place of use = \$875.00
 - If application proposes any other change or combination of changes = \$1,250.00

4. Page 3 of application: Have all the applicants listed at the top of the page signed at the bottom?
If not, whose signature is missing? _____

5. Is the GR claim shown by WRIS as non-cancelled?
If the GR claim has been cancelled, we **CANNOT** accept the application.

6. If all #1-#5 boxes on this checklist are checked (with no remaining deficiencies identified), accept the application and assign it a numbered transfer folder. Put this check sheet in the transfer folder.

If #1, #2, #3, #4 or #5 on this checklist is deficient, the application **CANNOT** be accepted.

It should be returned and the **deficiencies listed in the "staff" section at the bottom of Application Page 1**, unless the applicant or agent can resolve the deficiencies within 2-3 days.

**STATE OF OREGON
WATER RESOURCES DEPARTMENT**

RECEIPT # **123439**

725 Summer St. N.E. Ste. A
SALEM, OR 97301-4172
(503) 986-0900 / (503) 986-0904 (fax)

INVOICE # _____

| | | |
|---|-------------|------------------|
| RECEIVED FROM: EHRlich FARMS, LLC | APPLICATION | |
| BY: _____ | PERMIT | |
| CASH: <input type="checkbox"/> | TRANSFER | T12671 |
| CHECK:# <input checked="" type="checkbox"/> 4638 | TOTAL REC'D | \$ 875.00 |
| OTHER: (IDENTIFY) <input type="checkbox"/> | | |

1083 TREASURY 4170 WRD MISC CASH ACCT

| | |
|----------------------------|----|
| 0407 COPIES | \$ |
| OTHER: (IDENTIFY) | \$ |
| 0243 I/S Lease | |
| 0244 Muni Water Mgmt. Plan | |
| 0245 Cons. Water | |

4270 WRD OPERATING ACCT

| | | | |
|--------------------------------|------------------|-----------------|--------------------|
| MISCELLANEOUS | | 46110 | |
| 0407 COPY & TAPE FEES | \$ | | |
| 0410 RESEARCH FEES | \$ | | |
| 0408 MISC REVENUE: (IDENTIFY) | \$ | | |
| TC162 DEPOSIT LIAB. (IDENTIFY) | \$ | | |
| 0240 EXTENSION OF TIME | \$ | | |
| WATER RIGHTS: | | EXAM FEE | RECORD FEE |
| 0201 SURFACE WATER | \$ | 0202 | \$ |
| 0203 GROUND WATER | \$ | 0204 | \$ |
| 0205 TRANSFER | \$ 875.00 | | |
| WELL CONSTRUCTION | | EXAM FEE | LICENSE FEE |
| 0218 WELL DRILL CONSTRUCTOR | \$ | 0219 | \$ |
| LANDOWNER'S PERMIT | | 0220 | \$ |
| OTHER (IDENTIFY) | | | |

0536 TREASURY 0437 WELL CONST. START FEE

| | | | |
|---------------------------|----|--------|--|
| 0211 WELL CONST START FEE | \$ | CARD # | |
| 0210 MONITORING WELLS | \$ | CARD # | |
| OTHER (IDENTIFY) | | | |

0607 TREASURY 0467 HYDRO ACTIVITY LIC NUMBER

| | |
|---------------------------------|----|
| 0233 POWER LICENSE FEE (FW/WRD) | \$ |
| 0231 HYDRO LICENSE FEE (FW/WRD) | \$ |
| HYDRO APPLICATION | \$ |

TREASURY OTHER / RDX

**RECEIVED
OVER THE COUNTER**

| | | |
|-------------------|----------------|----------|
| FUND _____ | TITLE _____ | |
| OBJ. CODE _____ | VENDOR # _____ | |
| DESCRIPTION _____ | | \$ _____ |

RECEIPT: **123439** DATED: **5-18-17** BY: **McCool**



State of Oregon
 Water Resources Department
 725 Summer Street NE, Suite A
 Salem, Oregon 97301-1266
 (503) 986-0900

Application for Ground Water Registration Modification

Part 1 of 5 – Minimum Requirements Checklist

This Ground Water Registration Modification application will be returned if Parts 1 through 4 and all required attachments are not completed and included.
 For questions, please call (503) 986-0900, and ask for Transfer Section.

Check all included with this application (N/A = Not Applicable)

- Part 1 – Completed Minimum Requirements Checklist.
- Part 2 – Completed Application Map Checklist.
- Part 3 – Completed Applicant Information and Signature.
- Part 4 – Completed Ground Water Registration Modification Application – Ground Water Registration Information. (Only one ground water registration per application, **unless** the ground water registrations to be modified are layered).
- Completed Ground Water Registration Modification Application Map (Does not have to be prepared by a Certified Water Right Examiner).
- Ground water registration modification fees – Amount enclosed: **\$ 875.** (\$875.00 for a place of use change only; \$1,250 for any other change or combination).

RECEIVED

MAY 18 2017

OWRD

Attachments:

- N/A Request for Assignment Form and statutory fee. This form needs to be completed if the applicant owns the land to which the registration is appurtenant and is **not** the registration certificate holder of record. The Request for Assignment Form is available at http://www.oregon.gov/owrd/pubs/docs/forms/req_assign_8_21_09.pdf, or http://www.oregon.gov/owrd/pubs/docs/forms/req_assign_8_09.pdf. Assignment is not needed for any person or entity who can demonstrate authorization to request recognition of a modification (e.g. legal representative, power of attorney, agent, etc.) **or** the applicant is named on the certificate of registration, or has been assigned to the certificate of registration.
- N/A Land Use Information Form with approval and signature (or signed land use form receipt stub). Land use form not required if any of the following apply:
 - Water is to be diverted, conveyed, and/or used only on federal lands.
 - All of the following apply: a) a change in place of use only, b) no structural changes, c) the use of water is for irrigation only, and d) the use is located within an irrigation district or an exclusive farm use zone.
- N/A Water Well Report/Well Log for changes in point(s) of appropriation (well(s)) or additional point(s) of appropriation.

(For Staff Use Only)

WE ARE RETURNING YOUR APPLICATION FOR THE FOLLOWING REASON(S):

| | |
|---|---|
| ___ Application fee not enclosed/insufficient | ___ Map not included or incomplete |
| ___ Land Use Form not enclosed or incomplete | ___ Assignment Form and fee not enclosed/insufficient |
| ___ Additional signature(s) required | ___ Part ___ is incomplete |

Other/Explanation _____

Staff: _____ 503-986-0 Date: / /

Part 2 of 4 – Ground Water Registration Modification Map Checklist

Your Ground Water Registration Modification application will be returned if any of the map requirements listed below are not met.

Please be sure that the map you submit includes all the items listed below and meets the requirements of OAR 690-380-3100, however, the map does not have to be prepared by a Certified Water Right Examiner. Check all boxes that apply.

- Permanent quality printed with dark ink on good quality paper.
- The size of the map can be 8½ x 11 inches, 8½ x 14 inches, 11 x 17 inches, or up to 30 x 30 inches. For 30 x 30 inch maps, one extra copy is required.
- A north arrow, a legend, and scale.
- The scale of the map must be: 1 inch = 400 feet, 1 inch = 1,320 feet, the scale of the county assessor map if the scale is not smaller than 1 inch = 1,320 feet, or a scale that has been pre-approved by the Department.
- Township, Range, Section, ¼ ¼, DLC, Government Lot, and other recognized public land survey lines.
- Tax lot boundaries (property lines) are required. Tax lot numbers are recommended.
- Major physical features including rivers and creeks showing direction of flow, lakes and reservoirs, roads and railroads.
- Major water delivery system features from the point(s) of appropriation such as main pipelines, canals, and ditches.
- Existing place of use that includes hachuring, priority date, and use including number of acres in each quarter-quarter section, government lot, or in each quarter-quarter section as projected within government lots, donation land claims, or other recognized public land survey subdivisions. If less than the entirety of the registration is being changed, a separate hachuring is needed for the portion of the registration left unchanged.
- N/A If you are proposing a modification in place of use, show the proposed place of use with hachuring including priority date and use including number of acres in each quarter-quarter section, government lot, or in each quarter-quarter section as projected within government lots, donation land claims, or other recognized public land survey subdivisions.
- Existing point(s) of appropriation with distance and bearing or coordinates from a recognized survey corner.
- N/A If you are proposing a modification in point(s) of appropriation, show the proposed location and label it clearly with distance and bearing or coordinates. If GPS coordinates are used, latitude-longitude coordinates may be expressed as either degrees-minutes-seconds with at least one digit after the decimal (example – 42°32'15.5") or degrees-decimal with five or more digits after the decimal (example – 42.53764°).

RECEIVED

T 12671

MAY 18 2017

Part 3 of 4 – Applicant Information and Signature

Applicant Information

| | | | | |
|---|--------------------|---------------------|---|---|
| APPLICANT/BUSINESS NAME The Estate of Hugo W. Ehrlich by Sheryl Peterson as Personal Representative | | | PHONE NO. 541-928-7856 | ADDITIONAL CONTACT NO. 541-461-2574 |
| ADDRESS 34344 SE Columbus St. | | | | FAX NO. |
| CITY Albany | STATE OR | ZIP 97321 | E-MAIL sherylpeterson@msn.com | |
| BY PROVIDING AN E-MAIL ADDRESS, CONSENT IS GIVEN TO RECEIVE ALL CORRESPONDENCE FROM THE DEPARTMENT ELECTRONICALLY. COPIES OF THE FINAL ORDER DOCUMENTS WILL ALSO BE MAILED. | | | | |

Agent Information – The agent is authorized to represent the applicant in all matters relating to this application

| | | | | |
|---|--------------------|---------------------|-------------------------------------|--------------------------------|
| APPLICANT/BUSINESS NAME K&D Engineering (Attn: Ian McGuire, CWRE) | | | PHONE NO. 541-928-2583 | ADDITIONAL CONTACT NO. |
| ADDRESS 276 NW Hickory St. | | | | FAX NO. 541-967-3458 |
| CITY Albany | STATE OR | ZIP 97321 | E-MAIL imcguire@kdeng.com | |
| BY PROVIDING AN E-MAIL ADDRESS, CONSENT IS GIVEN TO RECEIVE ALL CORRESPONDENCE FROM THE DEPARTMENT ELECTRONICALLY. COPIES OF THE FINAL ORDER DOCUMENTS WILL ALSO BE MAILED. | | | | |

Explain in your own words what you propose to accomplish with this modification; and why:
A portion of the Estate of Hugo Ehrlich land was sold to National Frozen Foods Corporation; the existing water rights were not part of that sale; the existing water rights on the sold ground are being transferred to complete the conditions of the sale.

If you need additional space, continue on a separate piece of paper and attach to the application as "Attachment 1".

Check this box if this project is fully or partially funded by the American Recovery and Reinvestment Act. (Federal stimulus dollars)

(Check one box)

- By signing this application, I (we) understand that, upon receipt of the draft preliminary determination and prior to Department approval of the ground water modification, I (we) will be required to provide landownership information and evidence that I am authorized to pursue the modification as identified in OAR 690-382-0400(16)(a); **OR**
- I (we) affirm the applicant is a municipality as defined in ORS 540.510(3)(b) and that the right is in the name of the municipality or a predecessor; **OR**
- I (we) affirm that the applicant is an entity with the authority to condemn property and is acquiring the property to which the ground water registration proposed for modification is appurtenant by condemnation and have attached supporting documentation.

I understand that prior to Department approval of the groundwater registration modification, I may be required to submit payment to the Department for publication of a notice in a newspaper with general circulation in the area where the groundwater registration is located, once per week for two consecutive weeks. If more than one qualifying newspaper is available, I suggest publishing the notice in the following paper: **Albany Democrat Herald.**

I (we) affirm that the information contained in this application is true and accurate.


Applicant Signature

Sheryl Peterson, Personal Representative
Print Name (and Title if applicable)

5-16-17
Date

Is the applicant the sole owner of the land on which the ground water registration modification, or portion thereof, is located? Yes No *If NO, include signatures of all deeded landowners (and mailing and/or e-mail addresses if different than the applicant's) or attach affidavits of consent (and mailing and/or e-mail addresses) from all landowners or individuals/entities to which the ground water registration has been conveyed.*

RECEIVED

MAY 18 2017

1 12671

OWRD

TACS

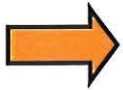
Check the appropriate box, if applicable:

- Check here if the ground water registration proposed for modification is or will be located within or served by an irrigation or other water district.

| | | |
|--------------------------|---------|-----|
| IRRIGATION DISTRICT NAME | ADDRESS | |
| CITY | STATE | ZIP |

- Check here if water for the ground water registration is supplied under a water service agreement or other contract with a federal agency or other entity.

| | | |
|-------------|---------|-----|
| ENTITY NAME | ADDRESS | |
| CITY | STATE | ZIP |



To meet State Land Use Consistency Requirements, you must list all local governments (each county, city, municipal corporation, or tribal government) within whose jurisdiction water will be diverted, conveyed or used.

| | | |
|--|------------------------------|---------------------|
| ENTITY NAME Linn County c/o Linn County Planning and Building Department | ADDRESS PO Box 100 | |
| CITY Albany | STATE OR | ZIP 97321 |

RECEIVED

MAY 18 2017

OWRD

Part 4 of 4 – Ground Water Registration Information

Please use a separate Part 4 for each registration being modified. See instructions on page 5, to copy and paste additional Part 4s, or to add additional rows to tables within the form.

Table 1. Location of Authorized and Proposed Point(s) of Appropriation (POA)

(Note: If the POA name is not specified in the registration, assign it a name or number here.)

| POA Name or Number | Is this POA Authorized by the registration or is it Proposed? | OWRD Well Log ID# (or Well ID Tag # L-___) | Twp | | Rng | | Sec | ¼ ¼ | | Tax Lot, DLC or Gov't Lot | Measured Distances (from a recognized survey corner) |
|--------------------|---|--|-----------|----------|----------|----------|-----------|-----------|-----------|---------------------------|--|
| | | | | | | | | | | | |
| POA #1 | <input checked="" type="checkbox"/> Authorized <input type="checkbox"/> Proposed | LINN-7552 | 11 | S | 3 | W | 32 | NE | NW | 601 | 370' S. & 390' W. of N1/4 Cor. Sec. 32 |
| | | | | | | | | | | | |
| | | | | | | | | | | | |
| | | | | | | | | | | | |

Check all type(s) of modifications(s) proposed below (modification "CODES" are provided in parentheses):

- | | |
|--|---|
| <input checked="" type="checkbox"/> Place of Use (POU) | <input type="checkbox"/> Point of Appropriation (well) (POA) |
| <input type="checkbox"/> Character of Use (USE) | <input type="checkbox"/> Additional Point of Appropriation (APOA) |

Will all of the proposed changes affect the entire ground water registration?

- Yes Complete only the proposed ("to" lands) section of Table 2 on the next page. Use the "CODES" listed above to describe the proposed changes.
- No Complete all of Table 2 to describe the portion of the registration to be changed.

RECEIVED

MAY 18 2017

OWRD

Please use and attach additional pages of Table 2 as needed.
See page 5 for instructions.

Do you have questions about how to fill-out the tables?
Contact the Department at 503-986-0900 and ask for Transfer

Table 2. Description of Modifications to Registration GR-2208 (Certificate # GR-2113)

List only the part of the registration that will be modified. For the acreage in each ¼ ¼, list the modification proposed. If more than one modification, specify the acreage associated with each modification. If more than one POA, specify the acreage associated with each POA.

| Authorized ("from" lands) as they appear BEFORE THE CHANGES | | | | | | | | | | | Proposed Changes (see "CODES" from previous page) | Proposed ("to" lands) AFTER THE CHANGES | | | | | | | | | | | | | | |
|---|-----|-----|---|----|---------|----------------|------|-----------------------------------|--|---------------|---|---|-----|-----|---|---|---------|----------------|------|-----------------|--|---------------|-----|------------|--------|---------|
| Twp | Rng | Sec | ¼ | ¼ | Tax Lot | Gvt Lot or DLC | Acre | Type of USE listed on Certificate | POD(s) or POA(s) (name or number from Table 1) | Priority Date | | Twp | Rng | Sec | ¼ | ¼ | Tax Lot | Gvt Lot or DLC | Acre | New Type of USE | POD(s)/ POA(s) to be used (from Table 1) | Priority Date | | | | |
| 11 | S | 3 | W | 32 | SE | NW | 200 | | 4.0 | Irrigation | POA #1 | 10/1/52 | POU | 11 | S | 3 | W | 29 | SW | NW | 500 | | 2.0 | Irrigation | POA #1 | 10/1/52 |
| | | | | | | | | | | | | | | | | | | | | | | | | | | |
| 11 | S | 3 | W | 32 | NE | NW | 200 | | 15.5 | Irrigation | POA #1 | 10/1/52 | POU | 11 | S | 3 | W | 29 | SW | NW | 501 | | 2.0 | Irrigation | POA #1 | 10/1/52 |
| | | | | | | | | | | | | | | | | | | | | | | | | | | |
| | | | | | | | | | | | | | | | | | | | | | | | | | | |
| | | | | | | | | | | | | | | | | | | | | | | | | | | |
| | | | | | | | | | | | | | | | | | | | | | | | | | | |
| | | | | | | | | | | | | | | | | | | | | | | | | | | |
| TOTAL ACRES | | | | | | | 19.5 | TOTAL ACRES | | | | | | | | | | | 19.5 | | | | | | | |

Additional remarks: _____.

1 12671

RECEIVED
MAY 18 2017
OWPRD

Groundwater Registration # GR-2208 (Certificate # GR-2113)

For a modification in place of use or character of use:

Are there other water right certificates, water use permits, or ground water registrations associated with the “from” or “to” lands? Yes No

If YES, list the other certificate, water use permit, or other ground water registration numbers:



Pursuant to OAR 690-382-0200, any “layered” water use, such as an irrigation right that is supplemental to a primary irrigation right proposed for transfer, must be concurrently transferred with the registration or be cancelled. Any change to a water right must be filed separately in a transfer application. Any change to a water use permit must be filed separately with a permit amendment. Any modification to a ground water registration on the “to” lands must be filed separately with a ground water registration modification.

For modifications in point(s) of appropriation (well(s) or additional point(s) of appropriation:

- Well log(s) are attached for each well that are clearly labeled and associated with the corresponding well(s) in Table 1 above and on the accompanying application map.
(Tip: You may search for well logs on the Department’s web page at:
http://apps.wrd.state.or.us/apps/gw/well_log/)

AND/OR

- Describe the construction of the authorized and proposed well(s) in Table 3 for any wells that do not have a well log. For *proposed wells not yet constructed or built*, provide “a best estimate” for each requested information element in the table. The Department recommends you consult a licensed well driller, geologist, or certified water right examiner to assist with assembling the information necessary to complete Table 3.

Table 3. Construction of Point(s) of Appropriation

Any well(s) in this listing must be clearly tied to corresponding well(s) described in Table 1 and shown on the accompanying application map. Failure to provide adequate information is likely to delay the processing of your modification application until it is received. The information is necessary for the department to assess whether the proposed well(s) will access the same source aquifer as the authorized point(s) of appropriation (POA). The Department is prohibited by law from approving POA changes that do not access the same source aquifer.

| Proposed or Authorized POA Name or Number | Is well already built? (Yes or No) | If an existing well, OWRD Well ID Tag No. L-___ | Total well depth | Casing Diameter | Casing Intervals (feet) | Seal depth(s) (intervals) | Perforated or screened intervals (in feet) | Static water level of completed well (in feet) | Source aquifer (sand, gravel, basalt, etc.) | Well - specific rate (cfs or gpm). If less than full rate of water right |
|---|------------------------------------|---|------------------|-----------------|-------------------------|---------------------------|--|--|---|--|
| | | | | | | | | | | |

RECEIVED

MAY 18 2017

OWRD

**Application for Water Right
Transfer
Consent by Deeded Landowner**



Oregon Water Resources Department
725 Summer Street NE, Suite A
Salem, Oregon 97301-1266
(503) 986-0900
www.wrd.state.or.us

State of Oregon)
County of Benton)ss
)

I Armando Nunez in my/our capacity as Plant Manager at National Frozen Foods Corp., a
Washington corporation,

mailing address 745 SW 30th Avenue; Albany, OR 97321 ,

telephone number 541-928-3306, duly sworn depose and say that I

consent to the proposed transfer of 19.5 acres of water rights to Groundwater Registration

Number GR-2208 described in the Ground Water Registration Modification Application

submitted by The Estate of Hugo W. Ehrlich, Jr. by Sheryl Peterson as Personal Representative,

on the property in tax lot number(s) 200, Section 32, Township 11

South, Range 3 West, W.M., located at 34146 Columbus St. SE; Albany, OR 97322.

(site address)

Signature of Affiant

5/10/17
Date

RECEIVED
MAY 18 2017

Signature of Affiant

Date

OWRD

Subscribed and Sworn to before me this 10th day of May, 2017.



Notary Public for Oregon

My commission expires January 18, 2020

Land Use Information Form



Oregon Water Resources Department
725 Summer Street NE, Suite A
Salem, Oregon 97301-1266
(503) 986-0900
www.wrd.state.or.us

Applicant(s): The Estate of Hugo W. Ehrlich by Sheryl Peterson as Personal Representative

Mailing Address: 34344 SE Columbus St.

City: Albany

State: OR

Zip Code: 97321

Daytime Phone: 541-928-7856

A. Land and Location

Please include the following information for all tax lots where water will be diverted (taken from its source), conveyed (transported), and/or used or developed. Applicants for municipal use, or irrigation uses within irrigation districts may substitute existing and proposed service-area boundaries for the tax-lot information requested below.

| Township | Range | Section | ¼ ¼ | Tax Lot # | Plan Designation (e.g., Rural Residential/RR-5) | Water to be: | | | Proposed Land Use: |
|-------------|------------|-----------|-------|-------------|---|--|--|--|--------------------|
| <u>11 S</u> | <u>3 W</u> | <u>29</u> | _____ | <u>500</u> | <u>UGA_UGM5</u> | <input type="checkbox"/> Diverted | <input type="checkbox"/> Conveyed | <input checked="" type="checkbox"/> Used | <u>Farm</u> |
| <u>11 S</u> | <u>3 W</u> | <u>30</u> | _____ | <u>1305</u> | <u>EFU</u> | <input type="checkbox"/> Diverted | <input type="checkbox"/> Conveyed | <input checked="" type="checkbox"/> Used | <u>Farm</u> |
| <u>11 S</u> | <u>3 W</u> | <u>29</u> | _____ | <u>501</u> | <u>EFU & UGA-UGM5</u> | <input type="checkbox"/> Diverted | <input checked="" type="checkbox"/> Conveyed | <input checked="" type="checkbox"/> Used | <u>Farm</u> |
| <u>11 S</u> | <u>3 W</u> | <u>29</u> | _____ | <u>601</u> | <u>EFU</u> | <input checked="" type="checkbox"/> Diverted | <input checked="" type="checkbox"/> Conveyed | <input checked="" type="checkbox"/> Used | <u>Farm</u> |
| <u>11 S</u> | <u>3 W</u> | <u>32</u> | _____ | <u>200</u> | <u>EFU</u> | <input type="checkbox"/> Diverted | <input checked="" type="checkbox"/> Conveyed | <input checked="" type="checkbox"/> Used | <u>Farm</u> |

List all counties and cities where water is proposed to be diverted, conveyed, and/or used or developed:

Linn County

RECEIVED

MAY 18 2017

B. Description of Proposed Use

Type of application to be filed with the Water Resources Department:

- Permit to Use or Store Water
 Water Right Transfer
 Permit Amendment or Ground Water Registration Modification
 Limited Water Use License
 Allocation of Conserved Water
 Exchange of Water

Source of water: Reservoir/Pond Ground Water Surface Water (name) _____

Estimated quantity of water needed: 2.25 cubic feet per second gallons per minute acre-feet

Intended use of water: Irrigation Commercial Industrial Domestic for _____ household(s)
 Municipal Quasi-Municipal Instream Other _____

Briefly describe:

A transfer in the place of use of Groundwater Registration GR-2208 and Certificate 57086 is proposed. Totalling 180.1 acres of irrigated land.

Note to applicant: If the Land Use Information Form cannot be completed while you wait, please have a local government representative sign the receipt at the bottom of the next page and include it with the application filed with the Water Resources Department.

See bottom of Page 3. →

For Local Government Use Only

The following section must be completed by a planning official from each county and city listed unless the project will be located entirely within the city limits. In that case, only the city planning agency must complete this form. This deals only with the local land-use plan. Do not include approval for activities such as building or grading permits.

Please check the appropriate box below and provide the requested information

Land uses to be served by the proposed water uses (including proposed construction) are allowed outright or are not regulated by your comprehensive plan. Cite applicable ordinance section(s):

Land uses to be served by the proposed water uses (including proposed construction) involve discretionary land-use approvals as listed in the table below. (Please attach documentation of applicable land-use approvals which have already been obtained. Record of Action/land-use decision and accompanying findings are sufficient.) **If approvals have been obtained but all appeal periods have not ended, check "Being pursued."**

| Type of Land-Use Approval Needed (e.g., plan amendments, rezones, conditional-use permits, etc.) | Cite Most Significant, Applicable Plan Policies & Ordinance Section References | Land-Use Approval: | |
|---|--|--|--|
| | | <input type="checkbox"/> Obtained <input type="checkbox"/> Denied | <input type="checkbox"/> Being Pursued <input type="checkbox"/> Not Being Pursued |
| | | <input type="checkbox"/> Obtained <input type="checkbox"/> Denied | <input type="checkbox"/> Being Pursued <input type="checkbox"/> Not Being Pursued |
| | | <input type="checkbox"/> Obtained <input type="checkbox"/> Denied | <input type="checkbox"/> Being Pursued <input type="checkbox"/> Not Being Pursued |
| | | <input type="checkbox"/> Obtained <input type="checkbox"/> Denied | <input type="checkbox"/> Being Pursued <input type="checkbox"/> Not Being Pursued |
| | | <input type="checkbox"/> Obtained <input type="checkbox"/> Denied | <input type="checkbox"/> Being Pursued <input type="checkbox"/> Not Being Pursued |

Local governments are invited to express special land-use concerns or make recommendations to the Water Resources Department regarding this proposed use of water below, or on a separate sheet.

Farm use is an outright use in the EFU zoning district pursuant to LCC 928.310(B)(1).
 Limited farm use is an outright use in the UGA-UGM zoning district pursuant to LCC 930.710(B)(1).

Name: Jennifer Cepello Title: Assistant Planner
 Signature: *Jennifer Cepello* Phone: 591-967-3816 Date: 5/16/17
 Government Entity: Linn County

Note to local government representative: Please complete this form or sign the receipt below and return it to the applicant. If you sign the receipt, you will have 30 days from the Water Resources Department's notice date to return the completed Land Use Information Form or WRD may presume the land use associated with the proposed use of water is compatible with local comprehensive plans.

Receipt for Request for Land Use Information

Applicant name: _____

City or County: _____ Staff contact: _____

Signature: _____ Phone: _____ Date: _____

RECEIVED

MAY 18 2017

OWRD

GROUND WATER REGISTRATION MODIFICATION MAP

FOR

**SHERYL PETERSON
PERSONAL REPRESENTATIVE OF THE
ESTATE OF HUGO W. EHRLICH, JR.**

LOCATED IN





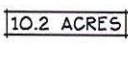
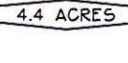
ROBERT PENTLAND D.L.C. No. 69,
NW 1/4 SEC. 32, NW 1/4 SEC. 29, SW 1/4 SEC. 29
NE 1/4 SEC. 29, SE 1/4 SEC. 29, T. 11 S., R. 3 W., W.M.,
LINN COUNTY, OREGON

MAY 10, 2017

NOTE:

2008 AERIALS FROM LINN COUNTY GIS DATABASE

LEGEND:

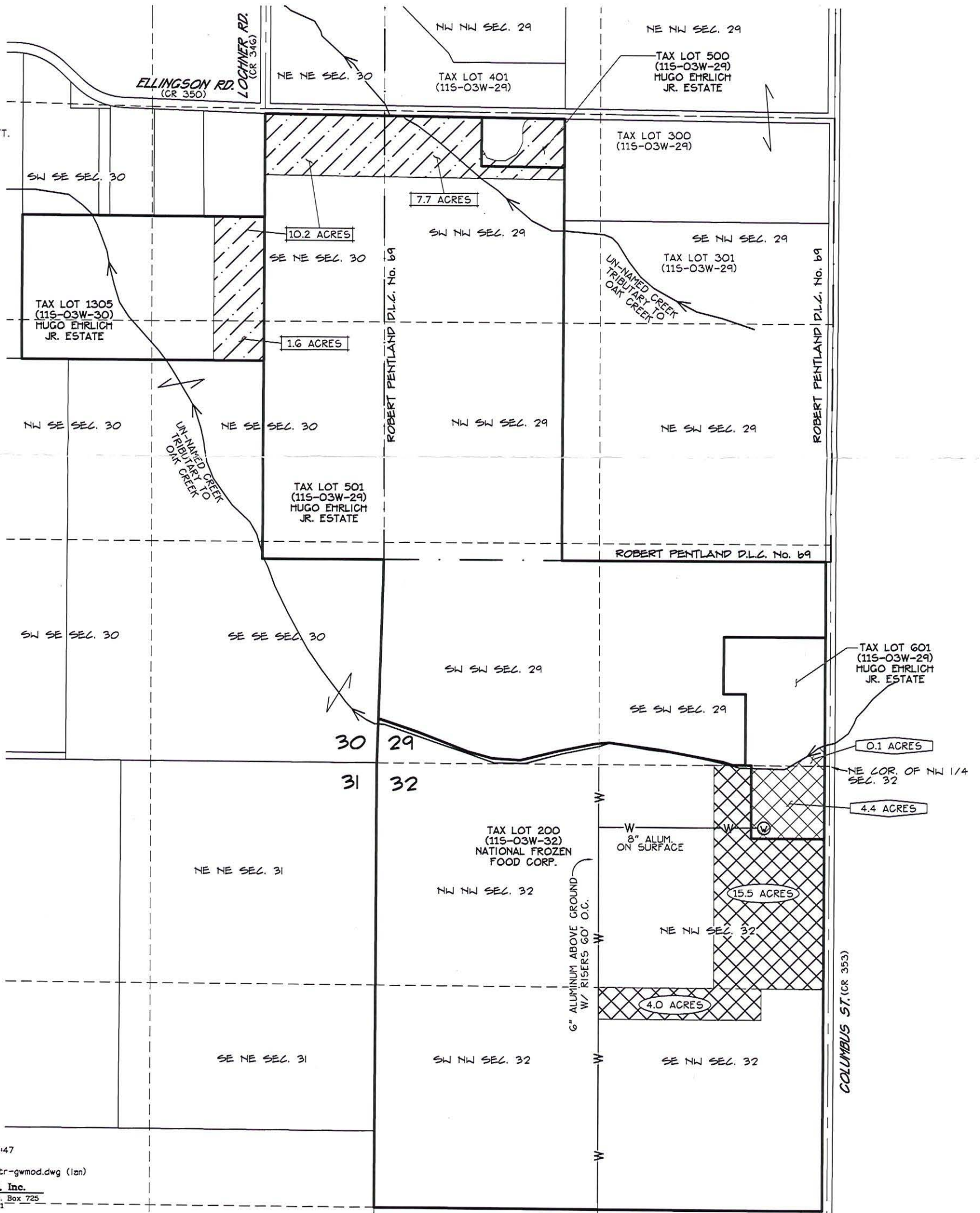
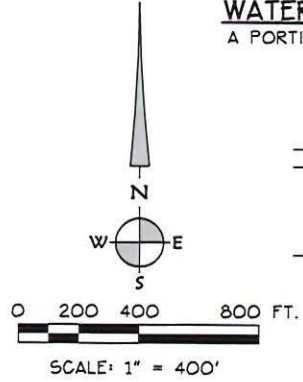
-  WATER RIGHT UNDER GR-2208 TO REMAIN IN PLACE (PRIORITY DATE 10/1/1952) 4.5 ACRES
-  WATER RIGHT UNDER GR-2208 TO BE TRANSFERRED (PRIORITY DATE 10/1/1952) 19.5 ACRES
-  WATER RIGHT UNDER GR-2208 RECEIVING TRANSFER 19.5 ACRES
-  4.0 ACRES ACRES PER QUARTER-QUARTER SECTION TO BE TRANSFERRED "FROM". 19.5 ACRES TOTAL.
-  10.2 ACRES ACRES PER QUARTER-QUARTER SECTION TO BE TRANSFERRED "TO". 19.5 ACRES TOTAL.
-  4.4 ACRES ACRES PER QUARTER-QUARTER SECTION TO REMAIN IN PLACE. 4.5 ACRES TOTAL.

⊙ AUTHORIZED P.O.A. (LINN-7552)
S33°30'W 9.5 CHAINS FROM NE COR. NW 1/4
SECTION 32 PER RECORD

—W— IRRIGATION MAIN LINE

WATER RIGHT TO BE MODIFIED:

A PORTION OF GR-2208 (PRIORITY DATE 10/1/1952)



Date: 5/10/2017 Time: 15:47
Scale: 1=500(PS)
File: dwg\2009\09-36\09-36-wtr-gwmod.dwg (lan)
K & D ENGINEERING, Inc.
276 N.W. Hickory Street P.O. Box 725
Albany, Oregon 97321
(541) 926-2583

RECEIVED
MAY 18 2017
OWRD

1 12671

GROUND WATER REGISTRATION MODIFICATION MAP

FOR

SHERYL PETERSON
PERSONAL REPRESENTATIVE OF THE
ESTATE OF HUGO W. EHRLICH, JR.

LOCATED IN




ROBERT PENTLAND D.L.C. No. 69,
 NW 1/4 SEC. 32, NW 1/4 SEC. 29, SW 1/4 SEC. 29
 NE 1/4 SEC. 29, SE 1/4 SEC. 29, T. 11 S., R. 3 W., W.M.,
 LINN COUNTY, OREGON


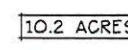
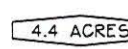
MAY 10, 2017

NOTE:

2008 AERIALS FROM LINN COUNTY GIS DATABASE

LEGEND:

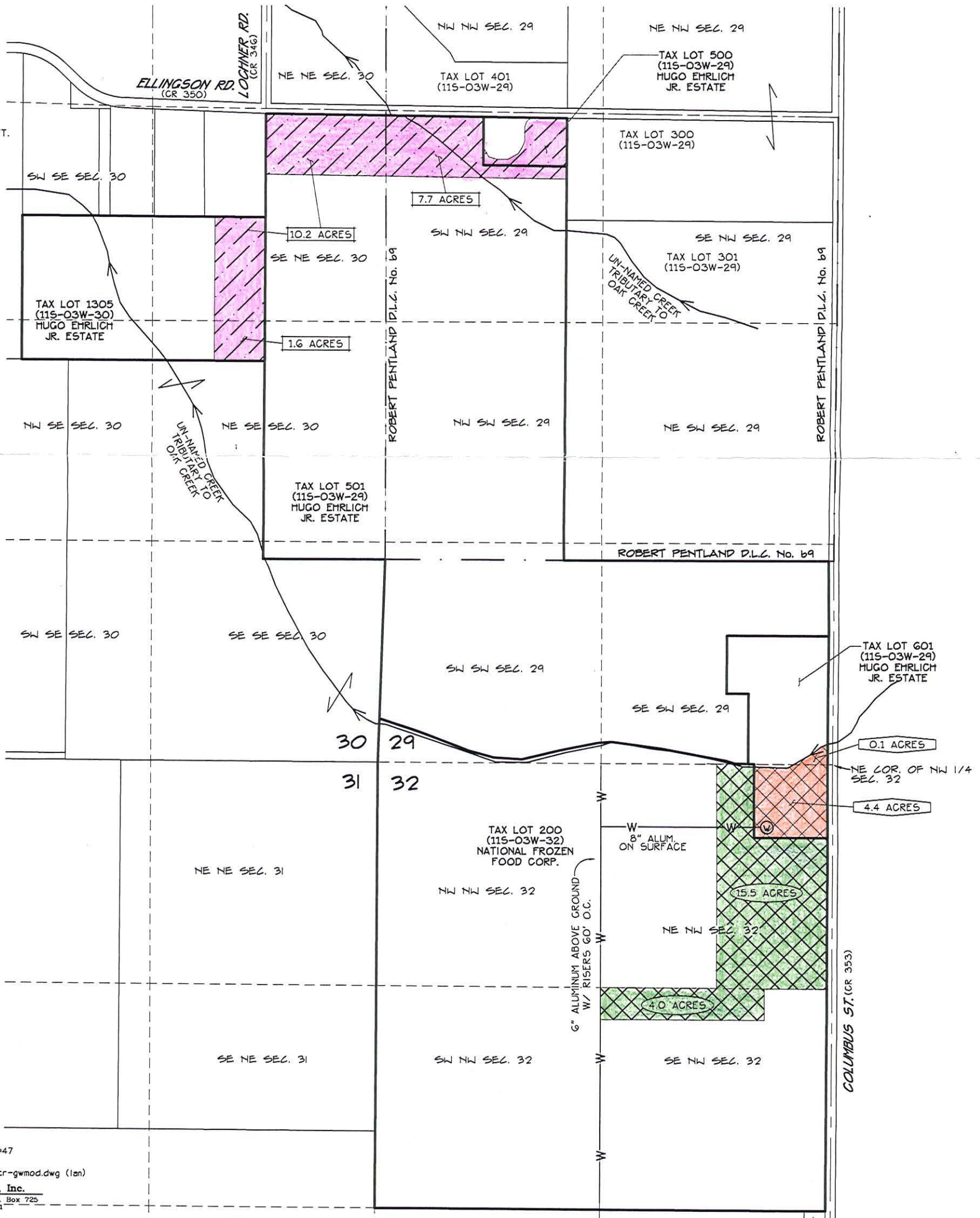
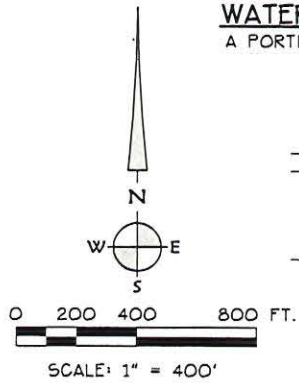
-  WATER RIGHT UNDER GR-2208 TO REMAIN IN PLACE (PRIORITY DATE 10/1/1952) 4.5 ACRES
-  WATER RIGHT UNDER GR-2208 TO BE TRANSFERRED (PRIORITY DATE 10/1/1952) 19.5 ACRES
-  WATER RIGHT UNDER GR-2208 RECEIVING TRANSFER 19.5 ACRES

-  4.0 ACRES ACRES PER QUARTER-QUARTER SECTION TO BE TRANSFERRED "FROM". 19.5 ACRES TOTAL.
-  10.2 ACRES ACRES PER QUARTER-QUARTER SECTION TO BE TRANSFERRED "TO". 19.5 ACRES TOTAL.
-  4.4 ACRES ACRES PER QUARTER-QUARTER SECTION TO REMAIN IN PLACE. 4.5 ACRES TOTAL.

⊙ AUTHORIZED P.O.A. (LINN-7552)
 S33°30'W 9.5 CHAINS FROM NE COR. NW 1/4
 SECTION 32 PER RECORD

—W— IRRIGATION MAIN LINE

WATER RIGHT TO BE MODIFIED:
 A PORTION OF GR-2208 (PRIORITY DATE 10/1/1952)



Date: 5/10/2017 Time: 15:47
 Scale: 1=500(P5)
 File: dwg\2009\09-36\09-36-wtr-gwmod.dwg (lan)
K & D ENGINEERING, Inc.
 276 N.W. Hickory Street P.O. Box 725
 Albany, Oregon 97321
 (541) 928-2583

RECEIVED
 MAY 18 2017
 OWRD

1 12671