



Lane County.
 LAND MANAGEMENT DIVISION
 125 EAST 8TH AVENUE
 EUGENE, OREGON 97401
 PHONE: 541-682-3823
 FAX: 541-682-3947

W. / G. a.

AGENDA COVER MEMO

MEMO DATE: March 7, 2006
AGENDA DATE: March 22, 2006
TO: BOARD OF COUNTY COMMISSIONERS
FROM: BILL VANVACTOR, COUNTY ADMINISTRATOR
 KENT HOWE, PLANNING DIRECTOR
RE: In the Matter of Considering a Ballot Measure 37 Claim and Deciding Whether to Modify, Remove or Not Apply Restrictive Land Use Regulations in Lieu of Providing Just Compensation (PA05-6349, Louise M. Carlson Marital Trust)

I. MOTION

Move to approve the Measure 37 Claim and adopt the order attached to this memo.

II. ISSUE OR PROBLEM

Shall the Board of County Commissioners compensate a claimant under Ballot Measure 37 and LC 2.700 through 2.770 for the reduction in fair market value of the affected property interest resulting from enactment or enforcement of restrictive land use regulations or modify, remove, or discontinue application of those land use regulations to the subject property to allow Louise Carlson to use the property for a use permitted at the time she acquired the property?

III. DISCUSSION

A. Background

Applicant: Louise Carlson
Current Owner: Louise M. Carlson Marital Trust
Agent: none
Legal Description of Property: 16-02-14 #1304
Acreage: 19 acres
Current Zoning: F2 (Impacted Forest)
Date Property Acquired: March 22, 1960.
Date claim submitted: September 14, 2005 (180th day would be March 14, 2006, but the claimant agreed to suspend the timelines while the *MacPherson* case was pending). This claim was originally scheduled for a hearing on March 29 (after the 180 day timeline) to allow the claimant time to submit the requested information on the Trust. On March 6, the

claimant submitted additional information regarding the Trust and the agreement to suspend timelines no longer operates to preclude processing this claim.

Land Use Regulations in Effect at Date of Acquisition: None

County land use regulation which restricts the use and reduces the fair market value of claimant's property: LC 16.211 F2 (Impacted Forest)

B. Lane Code Submittal Requirements

The claimant has paid the processing fee and submitted evidence in support of this claim. This evidence includes an appraisal, a title report, and Warranty Deeds dated March 22, 1960, and October 24, 1961, and November 22, 1993.

C. Analysis

Joseph and Louise Carlson acquired an interest in the property on March 22, 1960. They acquired ownership of the property on June 7, 1963. At that time the property was unzoned. The property was conveyed to the Louise M. Carlson Marital Trust November 22, 1993.

On March 6, 2003, the claimant submitted information regarding the Trust. This evidence shows the trust is revocable and Louise Carlson is a trustee. Therefore, the current owner is considered the same person who acquired an interest in the property in 1960.

The property is zoned F2 (Impacted Forest). The minimum size for new lots is 80 acres and a new dwelling requires a special use permit. The claimant wishes to divide the 19 acres into 8 lots ranging in size from 1 to 6 acres, and place a dwelling on each lot.

To have a valid claim against Lane County under Measure 37 and LC 2.700 through 2.770, the claimant must prove:

1. Lane County has enacted or enforced a restrictive land use regulation since the owner acquired the property, and
2. The restrictive land use regulation has the effect of reducing the fair market value of the property, and
3. The restrictive land use regulation is not an exempt regulation as defined in LC 2.710.

If a reduction in fair market value has been established, the County has two options:

- Compensate the land owner for the loss of fair market value, or
- Waive the restrictive county land use regulations. The regulations can only be waived to allow a use permitted when the current owner acquired the property.

Regarding #1, Louise Carlson acquired an interest in the property on March 22, 1960. At that time, the property was unzoned and one dwelling was allowed per lot. Currently, the property is zoned F2, the minimum lot size is 80 acres, and a new dwelling is only allowed with a special use permit.

Regarding #2, the claimant has submitted an appraisal by a certified real estate appraiser. The claimant wishes to create eight lots ranging in size from 1 to 6 acres and place a dwelling on each lot. Table 1 summarizes the appraised value for the current home and the proposed

development as presented by the claimant. It should be noted that the appraisal did not include the existing house on the entire 19 acres, only on a hypothetical 6 acres. This memo and the attached order are written as if this discrepancy does not change the conclusion that there is a reduction in fair market value.

Table 1

Current value (house on 6 acres)	\$360,000
Potential value (proposed development)	\$1,035,000
Reduction in fair market value	\$675,000

Regarding #3, the F2 (Impacted Forest) minimum parcel size and the requirement for a special use permit for a dwelling do not appear to be exempt regulations described in Measure 37 or LC 2.710.

D. Conclusion/County Administrator Recommendation

It appears this is a valid claim and the County Administrator recommends the Board waive the restrictive land use regulations of the F2 (Impacted Forest) zone that prohibit the Louise Carlson from developing the property as allowed when she acquired the property.

IV. ALTERNATIVES/OPTIONS

The Board has two options:

1. Determine the application appears valid and adopt an order to that effect for final Board action.
2. Conclude the application is not a valid claim and direct the issuance of a final written decision by the County Administrator denying the Claim.

V. RECOMMENDATION

The County Administrator recommends the Board waive the restrictive land use regulations of the F2 (Impacted Forest) zone that prevent Louise Carlson from developing the property as allowed when she acquired the property.

VI. ATTACHMENTS

Order to approve the Measure 37 claim submitted by Louise Carlson.

Written claim and application dated September 14, 2005.

**BEFORE THE BOARD OF COUNTY COMMISSIONERS OF LANE COUNTY,
OREGON**

ORDER No.) IN THE MATTER OF CONSIDERING A BALLOT
) MEASURE 37 CLAIM AND DECIDING
) WHETHER TO MODIFY, REMOVE OR NOT
) APPLY RESTRICTIVE LAND USE
) REGULATIONS IN LIEU OF PROVIDING JUST
) COMPENSATION (Louise M. Carlson Marital Trust/
) PA05-6349)

WHEREAS, the voters of the State of Oregon passed Ballot Measure 37 on November 2, 2004, which added provisions to Oregon Revised Statutes (ORS) Chapter 197 to require, under certain circumstances, payment to landowners if a government land use regulation restricts the use of private real property and has the effect of reducing the property value; and

WHEREAS, the Board of County Commissioners of Lane County enacted Ordinance No. 18-04 on December 1, 2004, to establish a real property compensation claim application process in LC 2.700 through 2.770 for Ballot Measure 37 claims; and

WHEREAS, the County Administrator has reviewed an application for a Measure 37 claim submitted by Louise M. Carlson (PA05-6349), the owner of an interest in real property located at 37408 Parsons Creek Rd. and more specifically described in the records of the Lane County Assessor as map 16-02-14, tax lot 1304, consisting of approximately 19 acres in Lane County, Oregon; and

WHEREAS, the County Administrator has determined that the application appears to meet all of the criteria of LC 2.740(1)(a)-(d), appears to be eligible for just compensation and appears to require modification, removal or not applying the restrictive land use regulations in lieu of payment of just compensation and has referred the application to the Board for public hearing and confirmation that the application qualifies for further action under Measure 37 and LC 2.700 through 2.770; and

WHEREAS, the Board has confirmed the application appears to qualify for compensation under Measure 37 but Lane County has not appropriated funds for compensation for Measure 37 claims and has no funds available for this purpose; and

WHEREAS, the County Administrator has determined under LC 2.740(4) that modification, removal or not applying the restrictive land use regulation is necessary to avoid owner entitlement to just compensation under Ballot Measure 37 and made that recommendation to the Board; and

WHEREAS, on March 29, 2006, the Board conducted a public hearing on Louise M. Carlson's Measure 37 claim (PA05-6349) and has now determined that the restrictive F2 (Impacted Forest) minimum lot and parcel size requirements of LC 16.211 were enforced and made applicable to prevent Louise M. Carlson from developing the property as allowed when she acquired an interest in the property on March 22, 1960, and that the public benefit from application of the

current F2 (Impacted Forest) land use regulations to the applicants' property is outweighed by the public burden of paying just compensation; and

WHEREAS, Louise M. Carlson requests either \$675,000 as compensation for the reduction in value of her property or waiver of all land use regulations that would restrict division of land into lots or parcels as small as one acre, which could have otherwise been allowed at the time she acquired an interest in the property; and

WHEREAS, the Board finds that under LC 2.760(3) the public interest would be better served by modifying, removing or not applying the challenged land use regulations of the F2 (Impacted Forest) zone to the subject property in the manner and for the reasons stated in the report and recommendation of the County Administrator incorporated here by this reference except as explicitly revised here to reflect Board deliberation and action to allow Louise M. Carlson to make application for development of the subject property in a manner similar to what it could have been able to do under the regulations in effect when the current owner acquired the property; and

WHEREAS, this matter having been fully considered by the Lane County Board of Commissioners.

NOW, THEREFORE IT IS HEREBY ORDERED that the applicant Louise M. Carlson made a valid claim under Ballot Measure 37 by describing the use being sought, identifying the county land use regulations prohibiting that use, submitting evidence that those land use regulations have the effect of reducing the value of the property, showing evidence that they acquired the property before the restrictive county land use regulations were enacted or enforced and the Board hereby elects not to pay just compensation but in lieu of payment Louise M. Carlson's request shall be granted and the restrictive provisions of LC 16.211 that require a minimum size of eighty acres for new lots and parcels and restricts dwellings in the F2 (Impacted Forest) zone shall not apply to Louise M. Carlson, so that she can make application for approval to develop the property at 37408 Parsons Creek Rd., commonly known as Lane County Assessor map 16-02-14, tax lot 1304, in a manner consistent with the land use regulations in effect when she acquired an interest in the property on March 22, 1960.

IT IS HEREBY FURTHER ORDERED that Louise M. Carlson will need to make application and receive approval for any division and dwelling under the other land use regulations applicable to dividing and placing dwellings on property in the F2 (Impacted Forest) zone that were not specifically identified or established by Louise M. Carlson as restricting the use of the property and it would be premature to not apply those regulations given the available evidence. To the extent necessary to effectuate the Board action to not apply the division and dwelling restrictions of the applicable zone described above, the claimant shall submit appropriate applications for review and approval of any land division and dwelling to show the specific development proposal and in the event additional county land use regulations result in a restriction of those uses that has the effect of reducing the fair market value of the property, the County Administrator shall have the authority to determine those restrictive county land use regulations that will not apply to that development proposal to preclude entitlement to just compensation under Measure 37. All other Lane Code land use and development regulations shall remain applicable to the subject property until such time as they are shown to be restrictive and that those restrictions reduce the fair market value of the subject property.

IT IS HEREBY FURTHER ORDERED that this action making certain Lane Code provisions inapplicable to Louise M. Carlson's use of the property does not constitute a waiver or modification of state land use regulations and does not authorize immediate division of the land or immediate construction of a dwelling. The requirements of state law may contain specific standards regulating development of the subject property and the applicant should contact the Department of Administrative Services (DAS - State Services Division, Risk Management - Measure 37 Unit, 1225 Ferry Street SE, U160, Salem, OR 97301-4292; Telephone: (503) 373-7475; website address: <http://www.oregon.gov/DAS/Risk/M37.shtml>) and have the State of Oregon evaluate a Measure 37 claim and provide evidence of final state action before seeking county land use approval.

IT IS HEREBY FURTHER ORDERED that the other county land use regulations and rules that still apply to the property, including but not limited to LC 16.211(8) and (9), require that land use, sanitation and building permits be approved by Lane County before any development can proceed. Notice of this decision shall be recorded in the county deed records. This order shall be effective and in effect as described in LC 2.770 and Ballot Measure 37 to the extent permitted by law. This order does not resolve several questions about the effect and application of Measure 37, including the question of whether the right of applicants to build another dwelling can be transferred to another owner. If the ruling of the Marion County Circuit Court in *MacPherson v. Dept. of Administrative Services*, (Marion County Circ. Ct. Case No. 00C15769, October 14, 2005) becomes final and that decision or any subsequent court decision has application to Lane County in a manner that affects the authority of this Board to grant relief under Ballot Measure 37 and LC 2.700 through 2.770 then the validity and effectiveness of this Order shall be governed by LC 2.770 and the ruling of the court.

DATED this _____ day of _____, 2006.

Bill Dwyer, Chair
Lane County Board of County Commissioners

APPROVED AS TO FORM

Date 8-15-2006 Lane County

Stephen J. Vorhees
OFFICE OF LEGAL COUNSEL

Application for Claims Under LC 2.700 through 2.770

Due to Regulatory Reduction of Property Value Under Provisions Added to ORS Chapter 197 by BM37

Note: This completed form together with the referenced supporting documentation and application fee must be submitted to the Lane County Land Management Division, 125 East 8th Avenue, Eugene, Or., 97401 for all claims subject to the provisions added to ORS Chapter 197 by Ballot Measure 37 (November 2, 2004), to be considered for compensation under LC 2.700 through 2.770. In all cases, the applicant has the burden of demonstrating, with competent evidence, that all applicable criteria are met and the applicant would be entitled to compensation if the land use regulation continues to apply. Use additional paper, if necessary.

1. Applicant/ Agent

Louise M Carlson 37408 Parsons Creek Road 541 933 2544
Applicant Name (Please Print) Mailing Address Phone

same — —
Agent Name (Please Print) Mailing Address Phone

2. Property Owner

Please provide the Name, Mailing Address and telephone number of all property owners of record holding interest in the property that is the subject of this application. Include a complete listing of all lien holders, trustees, renters, lessees or anyone with an interest in the property and describe the ownership interest.

interest -	<u>Louise M Carlson</u>	<u>37408 Parsons Ck Rd</u>	<u>541 933 2544</u>	} see attached copy of warrant deed dated July 11, 2002
trustees of Joseph A Carlson Family Trust	<u>Wendy Louise Carlson</u>	<u>92722 Pioch Lane</u>	<u>541 933 1044</u>	
interest -	<u>Louise M Carlson</u>	<u>37408 Parsons Ck Rd</u>	<u>541 933 2544</u>	
trustee of Louise M Carlson marital Trust				

3. Legal Description

Please provide an accurate legal description, tax account number(s), map, street address and location of all private real properties that are the subject of this application.

Assessor Map & Tax Lot 1602-14 00 01304
Street Address 37408 Parsons Creek Road Springfield, OR Legal Description Attached

4. Identification of Imposed Land Use Regulation

Please identify the Lane Code section or other land use regulation imposed on the private real property that is alleged to restrict the use of the subject property in a manner that reduces the fair market value. Include the date the regulation was first adopted, enforced or applied to the subject property and a written statement addressing all the criteria in LC 2.740(1).
The subject property, Map 16-02-14 #1304 was unzoned until Sept 28, 1980. At that time, ordinance 841 applied the requirements of the Forest Lands (F-2) zone to the property. Land divisions in excess of 3 parcels per calendar year were regulated by the Lane County Subdivision Ordinance No. 3.

5. Title Report

Please attach a Preliminary Title Report showing title history and continuous ownership traced to the earliest family member ownership, the date of current owner(s) acquisition and all current interests of record for the subject property, issued within 30 days of the application submittal. Provide copies of relevant deeds.

6. Appraisal/Regulatory Effect

Please provide one original, signed appraisal prepared by an appraiser licensed by the Appraiser Certification and Licensure Board of the State of Oregon addressing the requirements of provisions added to ORS Chapter 197 by Ballot Measure 37 (November 2, 2004) and indicating the amount of the alleged reduction in fair market value by showing the difference in the fair market value of the property before and after the application of the challenged regulations as of the date the owner makes written demand for compensation. Include all of the supporting methodology, assumptions and calculations affecting the appraisal.

See attachments

7. Leases, Covenants, Conditions and Restrictions

Please provide copies of any leases or covenants, conditions and restrictions applicable to the subject property.

Not applicable

8. Identification of Relief Sought

Please specifically indicate what relief is being sought, either a monetary value of the claim describing the reduction in fair market value of the property or the specific use authorization sought in any waiver of the land use regulation.

We are seeking a waiver on the land use restriction zoning changed back to what it was before 1980.

I (we) have completed all of the attached application requirements and certify that all statements are true and accurate to the best of my (our) knowledge and belief. I am (We are) authorized to submit this application on behalf of all those with an interest in the property and all the owner(s) agree to this claim as evidenced by the signature of those owner(s) below. Include additional signatures, as necessary.

Entry by County or its designee upon the subject property is authorized by the owner(s) and the owner(s) consent to the application for claims under provisions added to ORS Chapter 197 by Ballot Measure 37 (November 2, 2004).

Louise M. Carlson

Owner(s) Signature

September 13, 2005
Date

Same

Applicant/Agent Signature

Date

The following contacts are provided to assist you in finding the necessary information for this application.

For zoning and land use information, please contact the Land Management Division at 682-3577.

This phone contact is a message line. Please leave a message and a Planner will return your call.

For deeds and records information, please contact Lane County Deeds and Records at 682-3654.

This is an example of what I wish to do. My wish at this time is to give one lot to my daughter Wendy Carlson. I would sell the other parcels - 1 to 3 acre lots depending on the survey and the lay of the land.

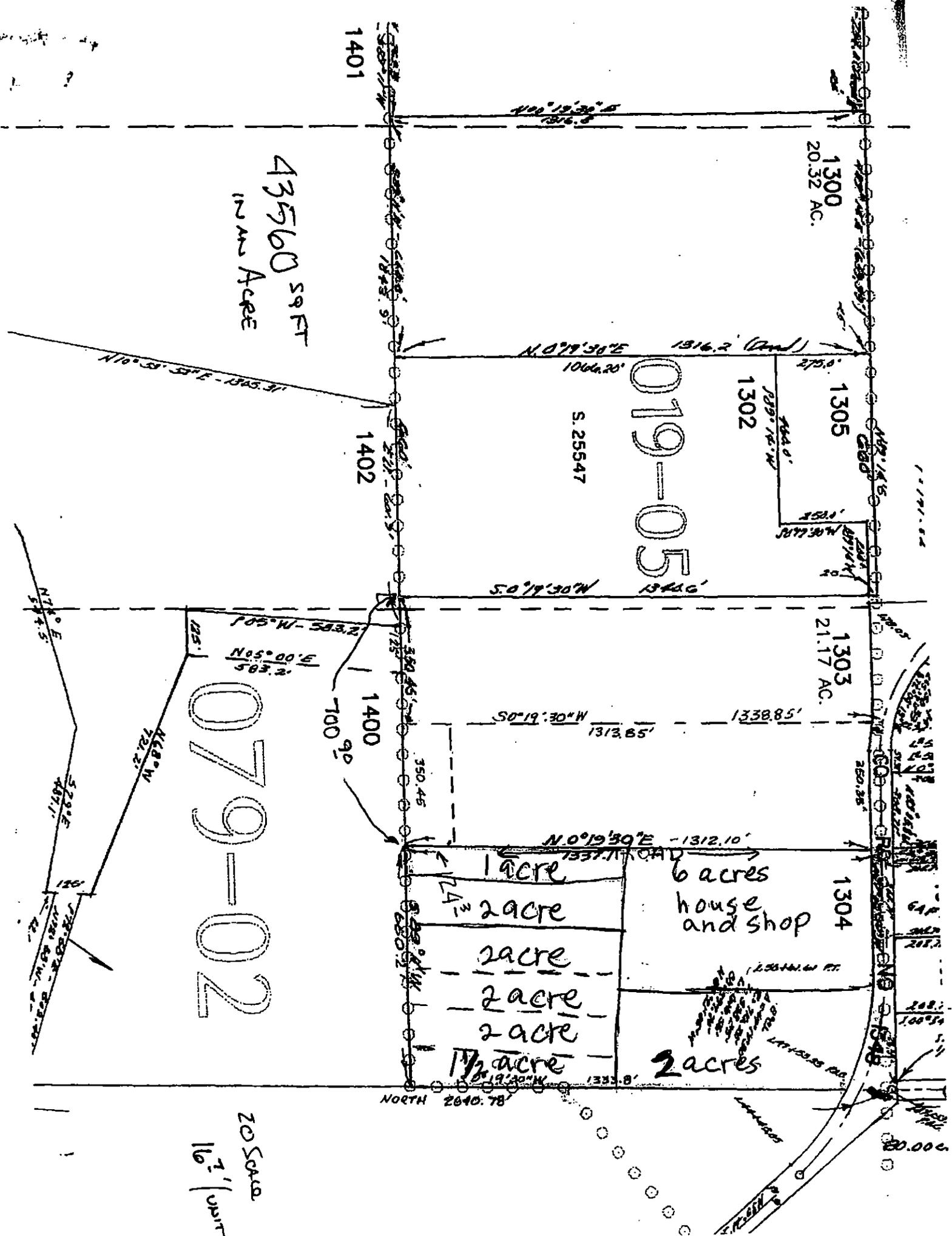
The above is what I submitted originally. When I visited with the appraiser he based his compensation amount on

4	2.5 acre parcels	520,000
1	3.5 acre "	155,000
		<hr/>
		675,000
home +	6 acre	360,000
		<hr/>
		\$1,035,000

This is noted on page 5 of the appraisal report.

Please give me a call - 933-2544 - if there's anything further I need to do. I appreciate your helpfulness. I will be out of town the first two weeks of April.

Janice M. Carlson March 3, 2006



43560 SQ FT
IN AN ACRE

019-05

079-02

205 AC
16 1/2' UNIT

1300
20.32 AC.

1305

1302

1303
21.17 AC.

1304

1401

1402

1400

1 acre

2 acre

2 acre

2 acre

2 acre

1 1/2 acre

6 acres

house
and shop

2 acres

S. 25547

NORTH 2640.78'

N 0° 19' 30" E - 1316.2'

N 0° 19' 30" E - 1316.2' (Cont.)

S 0° 19' 30" W - 1344.6'

S 0° 19' 30" W - 1313.85'

N 0° 19' 30" E - 1312.10'

N 10° 51' 55" E - 1365.31'

N 71° 4' 5" E - 574.5'

S 05° 00' E - 583.2'

N 68° W - 721.2'

S 79° E - 487.1'

136°

177° 08' 28" W - 224.70'

108° 43' W - 224.70'

136°

177° 08' 28" W - 224.70'

108° 43' W - 224.70'

136°

177° 08' 28" W - 224.70'

108° 43' W - 224.70'

136°

177° 08' 28" W - 224.70'

108° 43' W - 224.70'

WARRANTY DEED

13515

FOR VALUE RECEIVED GEORGE P. KING and HELEN I. KING, husband and wife,

herein referred to as grantors, hereby grant, bargain, sell and convey unto JOSEPH A. CARLSON and LOUISE M. CARLSON, husband and wife, and JAMES D. OMUNDSON and MARTHA C. OMUNDSON, husband and wife,

herein referred to as grantees, the following described real property, with tenements, hereditaments and appurtenances, to wit:

A tract of land in the North half of the South half (N½ S½) of Section 14, Township 16 South, Range 2 West of the Willamette Meridian, bounded and described as follows, to-wit:

Beginning at the East quarter corner of said Section 14, thence, along the East line of said section, South 0° 19½' West 1333.8 feet to the Southeast corner of said N½ S½ of said Section 14; thence along the South line thereof, South 89° 11' West 660.2 feet to a point marked by an iron pipe; thence North 0° 19½' East 1312.1 feet to a point marked by an iron pipe; thence, continuing North 0° 19½' East, a distance of 25.0 feet to the North line of said N½ S½ of Section 14; thence, following said North line, North 89° 28' East 660.0 feet to the point of beginning, containing 19.9 acres, more or less, in Lane County, Oregon.

SUBJECT TO the rights of the public in and to any part thereof lying within the boundaries of the right of way of the existing County Road located upon and across the most Northerly portion thereof.

The premises shall be used for residential purposes only and no dwelling shall be constructed on the premises costing less than \$8,500.00 to build.

TO HAVE AND TO HOLD the said premises unto said Grantees, their heirs and assigns forever. And the said Grantors hereby covenant that they are lawfully seized in fee simple of said premises; that they are free from all incumbrances,

and that they will warrant and defend the above granted against all lawful claims whatsoever, except as above stated.

Dated March 22 19 60

____ (Seal)

____ (Seal)



George P. King (Seal)
Helen I. King (Seal)

STATE OF OREGON, County of Lane, ss.

Personally appeared the above named

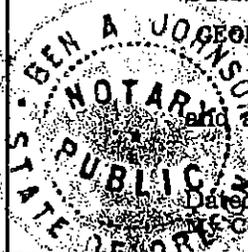
GEORGE P. KING and HELEN I. KING, husband and wife,

and acknowledged the foregoing instrument to be their voluntary act and deed. Before me:

Dated March 22 A.D. 19 60

Commission Expires

Ben A. Johnson
Notary Public for Oregon



REVENUE STAMPS

Beginning at the East quarter corner of said Section 14, thence, along the East line of said section, South 0° 19½' West 1333.8 feet to the Southeast corner of said N½ S½ of said Section 14; thence along the South line thereof, South 89° 11' West 660.2 feet to a point marked by an iron pipe; thence North 0° 19½' East 1312.1 feet to a point marked by an iron pipe; thence, continuing North 0° 19½' East, a distance of 25.0 feet to the North line of said N½ S½ of Section 14; thence, following said North line, North 89° 28' East 660.0 feet to the point of beginning, containing 19.9 acres, more or less, in Lane County, Oregon.

SUBJECT TO the rights of the public in and to any part thereof lying within the boundaries of the right of way of the existing County Road located upon and across the most Northerly portion thereof.

The premises shall be used for residential purposes only and no dwelling shall be constructed on the premises costing less than \$8,500.00 to build.

TO HAVE AND TO HOLD the said premises unto said Grantees, their heirs and assigns forever. And the said Grantors hereby covenant that they are lawfully seized in fee simple of said premises; that they are free from all incumbrances,

and that they will warrant and defend the above grantees against all lawful claims whatsoever, except as above stated.

Dated March 22 19 60

(Seal)

(Seal)



George P. King (Seal)
Helen I. King (Seal)

REVENUE STAMPS

STATE OF OREGON, County of Lane, ss.

Personally appeared the above named

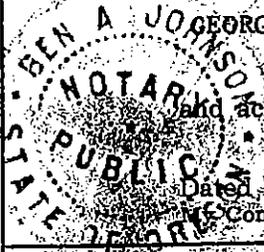
GEORGE P. KING and HELEN I. KING, husband and wife,

and acknowledged the foregoing instrument to be their voluntary act and deed. Before me:

Dated March 22 A.D. 19 60

Commission Expires March 18, 1960

Paul J. Hanson
Notary Public for Oregon



WARRANTY DEED

CASCADE TITLE COMPANY
972 Oak Street
Eugene, Oregon

4980 - Carleton
TO
4076 - Omni

STATE OF OREGON

State of Oregon,
County of Lane—ss.

I, Ina Randolph, County Clerk and ex-officio Recorder of Conveyance, in and for said County, do hereby certify that the within instrument was received for record at

1965 JUN 7 PM 4 01
REEL 220

Lane County Official Records.
INA RANDOLPH County Clerk.
By Paul H. J. J. J. Deputy.

Return To:
Joseph A. Carlson
School Star Route
Springfield, Ore.

13515

150

wife,

herein referred to as grantors, hereby grant, bargain, sell and convey unto JOSEPH A. CARLSON and LOUISE M. CARLSON, husband and wife,

herein referred to as grantees, the following described real property, with tenements, hereditaments and appurtenances, to wit:

A tract of land in the North half of the South half (N $\frac{1}{2}$ S $\frac{1}{2}$) of Section 14, Township 16 South, Range 2 West of the Willamette Meridian, bounded and described as follows, to-wit:

Beginning at the East quarter corner of said Section 14, thence, along the East line of said section, South 0° 19 $\frac{1}{2}$ ' West 1333.8 feet to the Southeast corner of said N $\frac{1}{2}$ S $\frac{1}{2}$ of said Section 14; thence along the South line thereof, South 89° 11' West 660.2 feet to a point marked by an iron pipe; thence North 0° 19 $\frac{1}{2}$ ' East 1312.1 feet to a point marked by an iron pipe; thence, continuing North 0° 19 $\frac{1}{2}$ ' East, a distance of 25.0 feet to the North line of said N $\frac{1}{2}$ S $\frac{1}{2}$ of Section 14; thence, following said North line, North 89° 28' East 660.8 feet to the point of beginning, containing 19.9 acres, more or less, in Lane County, Oregon.

SUBJECT TO the rights of the public in and to any part thereof lying within the boundaries of the right-of-way of the existing County Road located upon and across the most northerly portion thereof.

To Have and to Hold, the above described and granted premises, unto the said grantee a heirs and assigns forever.

Dated October 14, 1961.

James D. Oumudson (Seal)
Martha C. Oumudson (Seal)

STATE OF OREGON, County of Lane ss.
On this day of October, 1961, before me, the undersigned, a Notary Public in and for the County and State, personally appeared the within named JAMES D. OUMUDSON and MARTHA C. OUMUDSON, husband and wife,



known to be the identical individuals described in and who executed the within instrument, and I have acknowledged to me that they executed the same freely and voluntarily.
IN WITNESS WHEREOF, I have hereunto set my hand and affixed my official seal the day and year last above written.

Notary Public for Oregon

Legal document footer containing 'BARGAIN & SALE DEED', '1980 - Carlson', 'TO', 'STATE OF OREGON', 'COUNTY OF LANE', 'NOTARY PUBLIC', 'EXPIRES JUNE 24, 1965', and various stamps and signatures.

WARRANTY DEED
KNOW ALL MEN BY THESE PRESENTS, That JOSEPH A. CARLSON AND LOUISE M. CARLSON

hereinafter called the grantor, for the consideration hereinafter stated, to grantor paid by *****

hereinafter called the grantee, does hereby grant, bargain, sell and convey unto the grantee and grantee's heirs, successors and assigns, that certain real property, with the tenements, hereditaments and appurtenances thereunto belonging or in any way appertaining, situated in LANE County, State of Oregon, described as follows, to-wit: ***** JOSEPH A. CARLSON AND LOUISE M. CARLSON, TRUSTEES, OR THEIR SUCCESSORS IN TRUST, UNDER THE CARLSON LOVING TRUST DATED NOVEMBER 22, 1993, AND ANY AMENDMENTS THERETO.

658 ATTACHED EXHIBIT "A" 23ADEC.01*F3M03REC 10.00
23ADEC.01*F3M03PFUND 10.00
23ADEC.01*F3M03A&T FUND 20.00

The liability and obligations of the Grantor to Grantee and Grantee's heirs and assigns under the warranties and covenants contained herein or provided by law shall be limited to the extent of coverage that would be available to Grantor under any policy of title insurance issued to the Grantor at the time Grantor acquired the property. The limitations contained herein expressly do not relieve Grantor of any liability or obligation under this instrument, but merely define the scope, nature and amount of such liability or obligation.

To Have and to Hold the same unto the grantee and grantee's heirs, successors and assigns forever. And grantor hereby covenants to and with grantee and grantee's heirs, successors and assigns, that grantor is lawfully seized in fee simple of the above granted premises, free from all encumbrances

and that grantor will warrant and forever defend the premises and every part and parcel thereof against the lawful claims and demands of all persons whomsoever, except those claiming under the above described encumbrances.

The true and actual consideration paid for this transfer, stated in terms of dollars, is \$-0-

However, the actual consideration consists of or includes other property or value given or promised which is the whole consideration (whether or not stated in this deed) to the grantee, or to the grantee's heirs, successors and assigns.

In construing this deed, where the context so requires, the singular includes the plural and all grammatical changes shall be made so that this deed shall apply equally to corporations and to individuals.

In Witness Whereof, the grantor has executed this instrument this 22nd day of NOVEMBER, 1993.

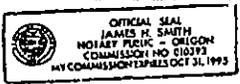
If a corporate grantor, it has caused its name to be signed and its seal, if any, affixed by an officer or other person duly authorized to do so by order of its board of directors.

Joseph A. Carlson
Louise M. Carlson

THIS INSTRUMENT WILL 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 APPROVED USES.

STATE OF OREGON, County of LANE) ss.
This instrument was acknowledged before me on NOVEMBER 22, 1993
by JOSEPH A. CARLSON & LOUISE M. CARLSON

This instrument was acknowledged before me on _____ 19____
by _____
as _____
of _____



James H. Smith
Notary Public for Oregon
My commission expires 10/31/95

JOSEPH A. & LOUISE M. CARLSON
37408 PARSONS CREEK ROAD
SPRINGFIELD, OREGON 97418
JOSEPH A. & LOUISE M. CARLSON, TRUSTEES
CARLSON LOVING TRUST DATED 11/22/93
37408 PARSONS CREEK ROAD
SPRINGFIELD, OREGON 97418
Grantor's Name and Address:
After recording return to (Name, Address, Zip):
JAMES H. SMITH, DSO
711 BENNETT AVENUE
MEDFORD, OR 97504
Mail returned addresses send all tax documents to (Name, Address, Zip):
JOSEPH A. & LOUISE M. CARLSON
37408 PARSONS CREEK ROAD
SPRINGFIELD, OREGON 97418

SPACE RESERVED FOR RECORDER'S USE

STATE OF OREGON,
County of _____) ss.
I certify that the within instrument was received for record on the _____ day of _____ 19____ at _____ o'clock _____ M., and recorded in book/reel/volume No. _____ on page _____ and/or as fee/title/instrument/microfilm/reception No. _____ Record of Deeds of said County. Witness my hand and seal of County Affixed.
By _____ TITLE Deputy

9377832

EXHIBIT "A"

PARCEL 1:

Beginning at a Northeast corner of Section 14, Township 16 South, Range 2 West of the Willamette Meridian; and running thence South along the East line of said Section 147.0 feet; thence West parallel with the North line of said Section, 147.0 feet; thence North parallel with the West line of said Section, 147.0 feet; and thence East along said Section line 147.0 feet to the place of beginning, the same being a tract of land 147 feet by 147 feet in the Northeast corner of Section 14, Township 16 South, Range 2 West of the Willamette Meridian, in Lane County, Oregon.

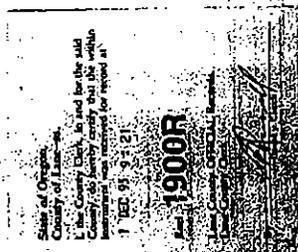
PARCEL 2:

A tract of land in the North half of the South half (N1/2 S1/2) of Section 14, Township 16 South, Range 2 West of the Willamette Meridian, bounded and described as follows, to wit:

Beginning at the East quarter corner of said Section 14, thence, along the East line of said section, South 0° 19-1/2' West 1333.8 feet to the Southeast corner of said N1/2 S1/2 of said Section 14; thence along the South line thereof, South 89° 11' West 660.2 feet to a point marked by an iron pipe; thence North 0° 19-1/2' East 1312.1 feet to a point marked by an iron pipe; thence, continuing North 0° 19-1/2' East, a distance of 25.0 feet to the North line of said N1/2 S1/2 of Section 14; thence, following said North line, North 89° 28' East 660.0 feet to the point of beginning, containing 19.9 acres, more or less, in Lane County, Oregon.

SUBJECT TO the rights of the public in and to any part thereof lying within the boundaries of the right of way of the existing County Road located upon and across the most Northerly portion thereof.

9377832



9377832
APPENDIX
21 No. 1544

WESTERN TITLE & ESCROW COMPANY OF LANE COUNTY

EUGENE OFFICE • 497 OAKWAY ROAD, SUITE 340 • PO BOX 10960 • Eugene, Oregon 97440 • (541) 485-3588 • FAX (541) 485-3597

Date: July 21, 2005

LOUISE CARLSON
ATTN: LOUISE CARLSON
37408 PARSONS CREEK ROAD
SPRINGFIELD, OR 97478

Report No: 50-0318505
Your No: --

LOT BOOK SERVICE \$200.00
GOVERNMENT SERVICE FEE \$25.00

LOT BOOK REPORT

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

The Property described in Exhibit "A" attached hereto and made a part hereof.

and dated as of July 15, 2005 at 5:00 p.m.

We find that the title is vested in:

LOUISE M. CARLSON, Trustee of the LOUISE M. CARLSON MARITAL TRUST

We also find the following apparent encumbrances prior to the effective date hereof:

1. 2005-2006 taxes, a lien in an amount to be determined, but not yet payable.
2. The rights of the public in and to that portion of the herein described property lying within the limits of roads and highways.
3. An easement created by instrument, including the terms and provisions thereof,
Recorded: June 5, 1946
Volume 322, Page 107, Deed Records
In favor of: Mountain States Power Company
4. Covenants, easements and restrictions, but omitting restrictions, if any, based on race, color, religion, national origin, or physical or mental handicap, imposed by instrument, including the terms and provisions thereof,
Recorded: June 7, 1963
Document No.: 13515, Deed Records

5. Deed of Trust (**Line of Credit Mortgage**), to secure an indebtedness in the amount shown below, and any other obligations secured thereby:
Amount: \$32,600.00
Dated: April 17, 2002
Recorded: April 25, 2002
Document No.: 2002-032455, Official Records
Grantor: Joseph A. Carlson and Louise M. Carlson, Trustees, or their successors in trust, under the Carlson Loving Trust dated November 22, 1993 and any amendments thereto.
Trustee: Western Title & Escrow Company
Beneficiary: Selco Credit Union
(affects additional property)
6. A certification of trust under which the trustee(s) hold title, to the herein described property should be furnished for our review.
(Carlson Loving Trust dated November 22, 1993)
7. A certification of trust under which the trustee(s) hold title, to the herein described property should be furnished for our review.
(Joseph A. Carlson Family Trust)
8. A certification of trust under which the trustee(s) hold title, to the herein described property should be furnished for our review.
(Louise M. Carlson Martial Trust)

NOTE: Taxes paid in full for the year 2004 - 2005
Original Amount: \$1,743.36
Tax Lot No.: 16 02 14 00 01304
Account No.: 0034379, Code 19-05

Taxes paid in full for the year 2004 - 2005
Original Amount: \$747.79
Tax Lot No.: 16 02 14 00 01304
Account No.: 1728680, Code 19-15

NOTE: We find no judgment liens or tax liens against Joseph A. Carlson or Louise M. Carlson or Wendy Louise Carlson.

This report is to be utilized for information only. Any use of this report as a basis for transferring, encumbering or foreclosing the real property described will require payment in an amount equivalent to applicable title insurance premium as required by the rating schedule on file with the Oregon Insurance Division.

The liability of Western Title & Escrow Company of Lane County is limited to the addressee and shall not exceed the premium paid hereunder.

By: SUSIE LOVELL, Title Officer

SL/jr

Any questions concerning this Lot Book Report should be directed to SUSIE LOVELL, at (541) 431-3710.

NOTE: For copies of exceptions please call our Customer Service Department at (541) 284-8011 or email your request to eugene@westerntitle.com

EXHIBIT "A"

A tract of land in the North half of the South half ($N \frac{1}{2} S \frac{1}{2}$) of Section 14, Township 16 South, Range 2 West of the Willamette Meridian, bounded and described as follows, to-wit:

Beginning at the East quarter corner of said Section 14; thence, along the East line of said section, South $0^{\circ} 19 \frac{1}{2}'$ West 1333.8 feet to the Southeast corner of said $N \frac{1}{2} S \frac{1}{2}$ of said Section 14; thence along the South line thereof, South $89^{\circ} 11'$ West 660.2 feet to a point marked by an iron pipe; thence North $0^{\circ} 19 \frac{1}{2}'$ East 1312.1 feet to a point marked by an iron pipe; thence, continuing North $0^{\circ} 19 \frac{1}{2}'$ East, a distance of 25.0 feet to the North line of said $N \frac{1}{2} S \frac{1}{2}$ of Section 14; thence, following said North line, North $89^{\circ} 28'$ East 660.0 feet to the point of beginning, in Lane County, Oregon.



00714009200500525120020020

07/15/2005 11:28:49 AM

RPR-DEED Cnt=1 Stn=15 CASHIER 06
\$10.00 \$11.00 \$10.00

After Recording Return to:

Janice E. Hatton, Esq.
1011 Harlow Rd., #300
Springfield, OR 97477

Until a change is requested,
mail tax statements to:

Louise M. Carlson
37408 Parsons Creek Rd.
Springfield, OR 97478

Tax Account No. 0034379

WARRANTY DEED

LOUISE M. CARLSON and WENDY LOUISE CARLSON, co-Trustees of the JOSEPH A. CARLSON FAMILY TRUST, Grantors, conveys all of its interest to LOUISE M. CARLSON, Trustee of the LOUISE M. CARLSON MARITAL TRUST, Grantee, of the following described real property, which has an address of 37408 Parsons Creek Road, Springfield, situated in Lane County, Oregon:

See Exhibit "A" attached hereto and incorporated herein by this reference.

The Liability and obligations of the Grantors to Grantee and Grantee's heirs and assigns under the warranties and covenants contained herein or provided by law shall be limited to the extent of coverage that would be available to Grantors under a standard policy of title insurance. The limitations contained herein expressly do not relieve Grantors of any liability or obligations under this instrument, but merely define the scope, nature, and amount of such liability or obligations.

The true consideration for this conveyance is: \$200,000.

THIS INSTRUMENT WILL 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 APPROVED USES AND TO DETERMINE ANY LIMITS ON LAWSUITS AGAINST FARMING OR FOREST PRACTICES AS DEFINED IN ORS 30.930.

DATED this 11 day of July, 2005.

Louise M. Carlson
LOUISE M. CARLSON, Trustee

Wendy Louise Carlson
WENDY LOUISE CARLSON, Trustee

STATE OF OREGON; County of Lane)

The foregoing instrument was acknowledged before me this 11 day of July, 2005, by LOUISE M. CARLSON, Trustee and WENDY LOUISE CARLSON, Trustee.



Janice E. Hatton
Notary Public of Oregon
My Commission Expires: 12-3-2006

EXHIBIT "A"

A tract of land in the North half of the South half (N1/2 S1/2) of Section 14, Township 16 South, Range 2 West of the Willamette Meridian, bounded and described as follows, to wit:

Beginning at the East quarter corner of said Section 14, thence, along the East line of said section, South 0° 19-1/2' West 1333.8 feet to the Southeast corner of said N1/2 S1/2 of said Section 14; thence along the South line thereof, South 89° 11' West 660.2 feet to a point marked by an iron pipe; thence North 0° 19-1/2' East 1312.1 feet to a point marked by an iron pipe; thence, continuing North 0° 19-1/2' East, a distance of 25.0 feet to the North line of said N1/2 S1/2 of Section 14; thence, following said North line, North 89° 28' East 660.0 feet to the point of beginning, containing 19.9 acres, more or less, in Lane County, Oregon.

SUBJECT TO the rights of the public in and to any part thereof lying within the boundaries of the right of way of the existing County Road located upon and across the most Northerly portion thereof.



00713378200500519300020020

07/13/2005 03:18:00 PM

RPR-DEED Cnt=1 Stn=5 CASHIER 04
\$10.00 \$11.00 \$10.00

After Recording Return to:

Janice E. Hatton, Esq.
1011 Harlow Rd., #300
Springfield, OR 97477

Until a change is requested,

mail tax statements to:

Louise M. Carlson
37408 Parsons Creek Rd.
Springfield, OR 97478

Tax Account No. 0034379

WARRANTY DEED

LOUISE M. CARLSON, surviving spouse of JOSEPH A. CARLSON and successor sole trustee of the CARLSON LOVING TRUST DATED NOVEMBER 22, 1993, and any amendments thereto, Grantor, conveys an undivided one-half interest to LOUISE M. CARLSON and WENDY LOUISE CARLSON, co-Trustees of the JOSEPH A. CARLSON FAMILY TRUST, and an undivided one-half interest to LOUISE M. CARLSON, Trustee of the LOUISE M. CARLSON MARITAL TRUST, Grantees, of the following described real property, which has an address of 37408 Parsons Creek Road, Springfield, situated in Lane County, Oregon:

See Exhibit "A" attached hereto and incorporated herein by this reference.

The Liability and obligations of the Grantor to Grantees and Grantees' heirs and assigns under the warranties and covenants contained herein or provided by law shall be limited to the extent of coverage that would be available to Grantor under a standard policy of title insurance. The limitations contained herein expressly do not relieve Grantor of any liability or obligations under this instrument, but merely define the scope, nature, and amount of such liability or obligations.

The true consideration for this conveyance, for estate planning purposes, is: \$0.

THIS INSTRUMENT WILL 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 APPROVED USES AND TO DETERMINE ANY LIMITS ON LAWSUITS AGAINST FARMING OR FOREST PRACTICES AS DEFINED IN ORS 30.930.

DATED this 11 day of July, 2005.

Louise M. Carlson

LOUISE M. CARLSON, Trustee

STATE OF OREGON; County of Lane)

The foregoing instrument was acknowledged before me this 11 day of July, 2005, by LOUISE M. CARLSON, Trustee.



Janice E. Hatton

Notary Public of Oregon

My Commission Expires: 12-3-2006

EXHIBIT "A"

A tract of land in the North half of the South half (N1/2 S1/2) of Section 14, Township 16 South, Range 2 West of the Willamette Meridian, bounded and described as follows, to wit:

Beginning at the East quarter corner of said Section 14, thence, along the East line of said section, South 0° 19-1/2' West 1333.8 feet to the Southeast corner of said N1/2 S1/2 of said Section 14; thence along the South line thereof, South 89° 11' West 660.2 feet to a point marked by an iron pipe; thence North 0° 19-1/2' East 1312.1 feet to a point marked by an iron pipe; thence, continuing North 0° 19-1/2' East, a distance of 25.0 feet to the North line of said N1/2 S1/2 of Section 14; thence, following said North line, North 89° 28' East 660.0 feet to the point of beginning, containing 19.9 acres, more or less, in Lane County, Oregon.

SUBJECT TO the rights of the public in and to any part thereof lying within the boundaries of the right of way of the existing County Road located upon and across the most Northerly portion thereof.

EASEMENT FOR RIGHT-OF-WAY

BOOK 322 PAGE 107

For and in consideration of the sum of One Dollar (\$1.00), receipt whereof is hereby acknowledged, a right-of-way is hereby granted to Mountain States Power Company, a Delaware corporation, its successors and assigns forever, with the right to erect and maintain an electric power line, telephone or aerial cable line consisting of the following:

ELECTRIC Power Line Pole Markers
ELECTRIC Power Line Poles

with the necessary wires and fixtures thereon, and to remove foliage, tree limbs or trees that may interfere with the construction, maintenance and operation of said electric power, telephone or cable line, across that property belonging to

IVINS 22-20-123 & E. de ...

and situated in the County of WAGNER State of OREGON

and described as follows: Part of The W 1/2 of The SW 1/4 of Section 13 also Part of The W 1/2 of The SE 1/4 of Section 14 in T-16 S. R-2 N. W.M.

It is understood that the employees of the Mountain States Power Company, its successors and assigns, shall at any time when necessary, have access to said right-of-way and the equipment thereon, for the purpose of repairs, etc., provided always that said Mountain States Power Company, its successors and assigns, shall be held responsible for any damage which may be unnecessarily done to the property above described.

WITNESS my hand and seal this 7 day of

APRIL 19 1946

Done in the presence of:

Lillian H. Goble

Gran ... (Seal)

W. ... (Seal)

BOOK 322 PAGE 108

STATE OF OREGON.

County of hance ss.

BE IT REMEMBERED, That on this 9 day of April A. D. 1926 before me, the undersigned, a Notary Public, in and for the said County and State, personally appeared the within named Ivan Sunders & Eeda Sunders who are known to me to be the identical individual, 2 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 above written.

William N. Velt
Notary Public for Oregon.

My Commission Expires: Jan. 25, 1926



State of Oregon,
County of Lane, ss.
I, W. H. Dillard, County Clerk and ex officio Recorder of Conveyances, in and for said County, do hereby certify that the within instrument was received for record at



and recorded
by Book 322 on Page 107-3
Lane County Oregon
W. H. DILLARD County Clerk
Registry

WARRANTY DEED
13515

FOR VALUE RECEIVED GEORGE P. KING and HELEN I. KING, husband and wife,

herein referred to as grantors, hereby grant, bargain, sell and convey unto JOSEPH A. CARLSON and LOUISE M. CARLSON, husband and wife, and JAMES D. OMBUDSON and MARTHA C. OMBUDSON, husband and wife,

herein referred to as grantees, the following described real property, with tenements, hereditaments and appurtenances, to-wit:

A tract of land in the North half of the South half (N $\frac{1}{2}$ S $\frac{1}{2}$) of Section 14, Township 16 South, Range 2 West of the Willamette Meridian, bounded and described as follows, to-wit:

Beginning at the East quarter corner of said Section 14, thence, along the East line of said section, South 0° 19 $\frac{1}{2}$ ' West 1333.8 feet to the Southeast corner of said N $\frac{1}{2}$ S $\frac{1}{2}$ of said Section 14; thence along the South line thereof, South 89° 11' West 660.2 feet to a point marked by an iron pipe; thence North 0° 19 $\frac{1}{2}$ ' East 1312.1 feet to a point marked by an iron pipe; thence, continuing North 0° 19 $\frac{1}{2}$ ' East, a distance of 25.0 feet to the North line of said N $\frac{1}{2}$ S $\frac{1}{2}$ of Section 14; thence, following said North line, North 89° 28' East 660.0 feet to the point of beginning, containing 19.9 acres, more or less, in Lane County, Oregon.

SUBJECT TO the rights of the public in and to any part thereof lying within the boundaries of the right of way of the existing County Road located upon and across the most northerly portion thereof.

The premises shall be used for residential purposes only and no dwelling shall be constructed on the premises costing less than \$8,500.00 to build.

TO HAVE AND TO HOLD the said premises unto said Grantees, their heirs and assigns forever. And the said Grantors hereby covenant that they are lawfully seized in fee simple of said premises; that they are free from all incumbrances

and that they will warrant and defend the same, except as above stated.

Dated March 22 1960



against all lawful claims whatsoever.

REVENUE STAMPS

(Seal)

(Seal)

George P. King
Helen I. King

(Seal)

(Seal)

STATE OF OREGON, County of Lane, ss.

Personally appeared the above named

GEORGE P. KING and HELEN I. KING, husband and wife,

and acknowledged the foregoing instrument to be their voluntary act and deed. Before me:



Notary Public for Oregon
Commission Expires 12/31/60

Ben A. Johnson
Notary Public for Oregon

13515

789 - Cascade Title Company
77 Oak Street
Eugene, Oregon

WARRANTY DEED

4980 - Carlson
4076 - Ombudson

STATE OF OREGON,
County of Lane

I, the undersigned, County Clerk and ex-officio Recorder of said County, in and for said County, do hereby certify that the within instrument was recorded, first entered at

60 JUN 7 PM 4 01
1960

Official
Linn County

Records
R. S. RASDOLL, County Clerk

Parties To
Joseph A. Carlson
Louise M. Carlson
James D. Ombudson
Martha C. Ombudson

Springfield, Ore.

CASCADE TITLE COMPANY

13515 - 14669 12-60

March 1, 2006

1. The trust instrument was executed on November 22, 1993 by Joseph A Carlson and Louise M Carlson,
2. The trust is a joint revocable living trust
3. My husband, Joseph A Carlson, died on June 8, 2005.
4. Louise M Carlson and Wendy Louise Carlson, co trustees of Joseph A Carlson Family Trust have conveyed its interest to Louise M Carlson Marital Trust - (real property).
See copies of attached deeds.

Hopefully this information will be helpful. I did wonder if you needed a written statement from Wendy stating her agreement with this process.

Thanks again!

Louise Carlson

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Article One Creation of Our Trust
Article Two Our Family
Article Three Funding Our Trust

Providing for Us and Our Family during Our Lifetimes

Article Four Administration of Our Trust during Our
Lives
Article Five Insurance Policies and Retirement Plans

Providing for Us and Our Family upon Our Deaths

Article Six Administration of Our Trust upon the
Death of a Trustmaker
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Property and Specific Distributions
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Provisions Regarding Our Trustee

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Article Seventeen Our Trustee's Administrative and Investment Powers
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The CARLSON Loving® Trust

Article One

Creation of Our Trust

Section 1. Our Trust

We are husband and wife. This is our Loving® Trust, dated November 22, 1993, by JOSEPH A. CARLSON, the husband Trustmaker, also known as JOSEPH ARTHUR CARLSON, LOUISE M. CARLSON, the wife Trustmaker, also known as LOUISE MARTHA CARLSON and the following initial Trustees:

JOSEPH A. CARLSON

LOUISE M. CARLSON

Our trust is a joint revocable living trust that contains our instructions for our own well-being and that of our loved ones. All references to "our trust" or "trust," unless otherwise stated, shall refer to this Loving® Trust and the trusts created in it. All references to "Trustee" shall refer to our initial Trustee or Trustees, or their successor or successors in trust.

When the term "Trustmaker" is used in our trust, it shall have the same legal meaning as "Grantor," "Settlor," "Trustor," or any other term referring to the maker of a trust.

Notwithstanding anything in our trust to the contrary, when we are serving as Trustees under our trust, either of us may act for and conduct business (including buying and selling of securities and drawing checks or making withdrawals from any account) on behalf of our trust as a Trustee without the consent of any other Trustee.

Section 2. The Name of Our Trust

For convenience, our trust shall be known as the:

CARLSON LOVING® TRUST, dated November 22, 1993

For purposes of beneficiary designations and transfers directly to our trust, our trust shall be referred to as:

JOSEPH A. CARLSON and LOUISE M. CARLSON, Trustees, or their successors in trust, under the CARLSON LOVING® TRUST, dated November 22, 1993, and any amendments thereto.

Article Two

Our Family

The names and birth dates of our children are:

DEBRA LYNN SCHMIDT, born July 27, 1955

WENDY LOUISE CARLSON, born November 21, 1958

All references to our children in this agreement are to these children, as well as any children subsequently born to us, or legally adopted by us.

Article Three

Funding Our Trust

Section 1. Initial Funding

We hereby transfer, assign, and convey all of our right, title, and interest in and to all of our property that is permitted by law to be held in trust, wherever situated, whether personal or real, tangible or intangible, separate or community, to our Trustee to hold and administer for our benefit and for the benefit of our beneficiaries pursuant to the terms of this trust.

We shall also each initially fund our trust with \$10 concurrent with its execution.

a. Reliance by Third Parties

Upon presentation by our Trustee of this Article of our trust and a separate Affidavit of Trust stating the name and address of our Trustee, affirming that our trust is in full force and effect, and containing any pertinent provisions of our trust, all third parties shall rely on this transfer and follow all of our Trustee's instructions without risk of incurring any liability to us, our Trustee, or our beneficiaries.

b. Specific Transfers of Property

Our trust may be additionally funded with property interests of all kinds by either of us or by any other person in any manner. All property interests assigned, conveyed, or delivered to our Trustee must be acceptable to our Trustee.

Section 2. Funding with Community Property

Any community property which is or becomes trust property, and the proceeds from such community property, shall remain community property during our lives.

a. Transfer or Conveyance of Community Property

A conveyance or transfer of community property to our trust, whether directly transferred or transferred to a nominee or agent on behalf of our trust, shall not be construed as a partition of the community property unless there is an express written agreement to that effect between us.

b. Withdrawals of Community Property

If withdrawals of community property are made from the trust, the property that is withdrawn shall retain its character as community property. If we revoke our trust, any and all community property held on behalf of our trust shall be reconveyed by our Trustee to us as community property.

During our lives:

The net income from the community property shall retain its community character regardless of whether it is accumulated or to whom our Trustee is directed to distribute it.

Our Trustee shall have no power with respect to community property that would be greater than that power that each of us would have over that same community property were it free of trust.

Section 3. Funding with Separate Property

Any separate property, including any individual interests in property, and the proceeds from such property, which is or becomes trust property, shall remain the separate property of a Trustmaker. A separate schedule of such property shall be maintained to facilitate the payment of income or the transfer of all or part of the principal the Trustmaker who is entitled to such distributions. Either of us shall have the unrestricted right to remove all or part of our respective separate property at any time. However, to simplify trust administration, each of us agree that unless an asset is specifically identified as being the separate property of only one of us on such a schedule, that regardless of which of us contributed an asset to the trust, and regardless of the form of the prior tenancy of the asset contributed, that each of us is the owner of an undivided one-half (1/2) interest as tenant in common in each of the assets

contributed to the trust during our joint lifetimes. Any joint tenancy rights or interests which may have existed at any time are hereby extinguished and are deemed to be properties held as equal tenants in common with no right of survivorship.

Article Four
Administration of Our Trust
During Our Lives

Section 1. Our Lifetime Powers

While we are both living, we shall have the following powers:

a. Control and Direct Payments

Our Trustee shall distribute or retain the principal and net income of the community estate, if any, as we may direct from time to time, except that we shall have no power to direct our Trustee to make gifts of principal or income from the community estate to a third party.

Our Trustee shall distribute or retain the principal and net income of a Trustmaker's separate estate as that Trustmaker shall direct, except that a Trustmaker shall have no power to direct our Trustee to make gifts of principal or income from the Trustmaker's separate estate to a third party.

Any gift made directly by our Trustee to a third party in violation of these provisions shall be construed as a distribution made directly to either or both of us, and then a gift from one or both of us to such third party.

Absent directions from us, our Trustee shall distribute the trust income from the community estate, if any, at least monthly and shall distribute the trust income from a Trustmaker's separate estate to that Trustmaker at least monthly.

b. Add or Remove Trust Property

We shall have the absolute right, either individually or jointly, to add to the trust property at any time. A Trustmaker shall also have the absolute right to remove his or her own separate property, in whole

or in part, from the trust at any time. Both of these rights shall be exercised in writing.

Each of us shall have the absolute right to remove as community property as much of our respective interests in the community estate, if any, as we shall request in writing at any time.

c. Amend or Revoke the Trust

We shall have the absolute right to amend or revoke our trust, in whole or in part, at any time. Any amendment or revocation must be in writing, signed by both of us, and delivered to our Trustee.

This right to amend or revoke is personal to us and may not be exercised by a legal representative of either of us. After the death of one of us, this agreement shall not be subject to amendment or revocation as it relates to the Family Trust. The Marital Trust shall continue to be subject to amendment or revocation.

Section 2. The Definition of Our Disability

Our disability, for purposes of this agreement, shall be defined as follows:

a. The Opinion of Two Licensed Physicians

A Trustmaker shall be deemed disabled during any period when, in the opinion of two licensed physicians, a Trustmaker is incapacitated or disabled because of illness, age, or any other cause which results in the Trustmaker's inability to effectively manage his or her property or financial affairs.

b. Court Determination

A Trustmaker shall also be deemed to be disabled upon the determination of a court of competent jurisdiction that a Trustmaker is incompetent, incapacitated, or otherwise legally unable to effectively manage his or her property or financial affairs.

c. Disappearance or Absence

A Trustmaker shall be deemed to be disabled upon the unexplained disappearance or absence of a Trustmaker, or if a Trustmaker is being detained under duress where the Trustmaker is unable to effectively manage his or her property or financial affairs.

Section 3. Procedural Guidelines for Our Disability

During any period of time when one or both of us are disabled, our Trustee shall apply the trust property, including its income, exclusively for our benefit and for our valid obligations by observing the following procedural guidelines:

a. The Disability of One of Us

Our Trustee shall provide as much of the principal and net income of a disabled Trustmaker's separate estate, and as much of the principal and net income of the disabled Trustmaker's share of the community estate, if any, as is necessary or advisable, in its sole and absolute discretion, for the health, support, maintenance, and general welfare of the disabled Trustmaker.

b. Provide for the Other Trustmaker and Dependent Children

During any period of time that one of us is disabled, our Trustee, in its sole and absolute discretion, shall provide as much of the principal and net income of the disabled Trustmaker's separate estate and as much of the principal and net income of the disabled Trustmaker's community estate, if any, as is necessary for the education, health, maintenance, and support of the other Trustmaker and our dependent children.

A dependent child, for purposes of this Section, shall be a child who is deemed to be dependent on the disabled Trustmaker in the sole and absolute discretion of our Trustee.

c. Provide for Our Obligations

Our Trustee shall provide as much of the principal and net income of our trust as our Trustee, in its sole and absolute discretion, deems advisable for the payment of any valid obligations as confirmed by our Trustee. A payment shall be paid from any community estate, if an obligation of both of us, and out of a Trustmaker's separate share or out of a Trustmaker's share of the community estate, if any, if an obligation of that Trustmaker.

Our Trustee shall provide as much of the principal and net income of our trust as our Trustee deems advisable for the payment of insurance premiums on policies owned by one of us, either directly or beneficially, or our trust. Our Trustee shall pay premiums for any life insurance policies that are the sole and separate property of one of us from that Trustmaker's sole and separate property.

d. Procedural Guidelines

Our Trustee, in its sole and absolute discretion, may make distributions to the beneficiaries under this Section to the complete exclusion of the other beneficiaries, in equal or unequal shares, as their respective needs require. Our Trustee shall make distributions under this Section based solely on need, in the sole and absolute discretion of our Trustee. When making such distributions, our Trustee may consider other income and resources available to the beneficiaries.

A distribution made to a beneficiary pursuant to this Section shall not be charged against the ultimate share of such beneficiary which may be distributable under any other provision of this agreement.

Section 4. Undistributed Net Income

Any net income which is not distributed under this Article shall be accumulated and added to principal.

Article Five

Insurance Policies and Retirement Plans

Section 1. During Our Lives

During our lives, we shall have the following rights, and our Trustee shall have the following duties, with respect to insurance policies or retirement plans owned by or made payable to our trust, to the extent of our community or sole and separate interest in those policies or plans.

a. A Trustmaker's Rights

Each of us reserves, and may exercise without the approval of our Trustee or any beneficiary, all of the rights, powers, options, and privileges with respect to any insurance policy, retirement plan, annuity, or any other third-party beneficiary contract made payable to our trust or deposited with our Trustee.

b. Our Trustee's Obligations

Our Trustee shall deliver to a Trustmaker or the Trustmaker's designee, upon the Trustmaker's written request, any and all insurance policies, retirement plan documents, annuity contracts, and all other third-party beneficiary contracts, as well as all related documents, which are owned by or deposited with our Trustee pursuant to our trust. Our Trustee shall not be under any obligation to have any or all of such documents returned.

Our Trustee shall have no obligation to see that premiums or other sums that may be due and payable under any insurance policy, retirement plan, annuity contract, or any other third-party beneficiary contract are paid. Further, our Trustee shall have no obligation with respect to any insurance policy, retirement plan, annuity contract, or other third-party beneficiary contract, as well as any documents related thereto, deposited with our Trustee, other than to provide for their safekeeping.

No provision of this agreement shall be construed to impose any obligation on either of us to maintain any insurance policy, retirement plan, annuity contract, or any other third-party beneficiary contract in force.

Section 2. Upon a Trustmaker's Death

Upon the death of a Trustmaker, our Trustee shall make all appropriate elections with respect to insurance policies, retirement plans, and other death benefits which constitute the separate estate of the deceased Trustmaker. As to all insurance policies, retirement plans, and other death benefits which are a part of the community estate, our Trustee and the surviving Trustmaker shall together make all appropriate elections consistent with the laws of the state having jurisdiction over such property.

a. Collection of Insurance Proceeds and Other Nonretirement Death Proceeds

Our Trustee shall make every reasonable effort to collect all sums made payable to our trust or our Trustee under all life insurance policies, or other nonretirement death benefit plans, which provide for death proceeds made payable to or owned by the trust.

In collecting policy or death benefit proceeds, our Trustee may, in its sole and absolute discretion, exercise any of the settlement options that may be available under the terms of a policy or any other third-party beneficiary contract with regard to the interest of the deceased Trustmaker in those policy or death benefit proceeds.

Our Trustee shall not be liable to any beneficiary for the settlement option ultimately selected.

b. Retirement Plan Elections

Our Trustee shall have the right, in its sole and absolute discretion, to elect to receive any retirement plan death proceeds, whether under a qualified pension, profit sharing, Keogh, individual retirement account, or any other retirement plan, either in a lump sum or

in any other manner permitted by the terms of the particular retirement plan, to the extent of the interest of the deceased Trustmaker.

Our Trustee shall not be liable to any beneficiary for the death benefit election ultimately selected.

Our Trustee, in its sole and absolute discretion, may disclaim the benefits of any retirement plan payable to our trust, including individual retirement accounts that are payable to our trust. Such disclaimed benefits shall be payable to the surviving Trustmaker.

c. Collection Proceedings

Our Trustee may institute proceedings, whether in law or equity, administrative or otherwise, to enforce payment of such proceeds.

Our Trustee need not, except at its option, enter into or maintain any litigation or take action to enforce any payment until it has been indemnified to its satisfaction for all expenses and liabilities to which, in its sole judgment, it may be subjected.

Our Trustee is expressly authorized, in its sole and absolute discretion, to adjust, settle, and compromise any and all claims that may arise from the collection of any death proceeds. The decisions of our Trustee shall be binding and conclusive on all beneficiaries.

d. Liability of Payor

No person or entity which pays insurance proceeds or other death proceeds to our Trustee as beneficiary shall be required to inquire into any of the provisions of this trust or to see to the application of any such proceeds by our Trustee.

The receipt of the proceeds by our Trustee shall relieve the payor of any further liability as a result of making such payment.

Article Six
Administration of Our Trust
upon the Death of a Trustmaker

Section 1. Payment of Expenses, Claims, and Taxes

Upon the death of the first one of us to die, our Trustee is authorized, but not directed, to pay the following:

Expenses of the last illness, funeral, and burial, including memorials of all types and memorial services of such kind as our Trustee in its sole discretion shall approve.

Legally enforceable claims against the deceased or the estate.

Expenses with regard to the administration of the estate.

Federal estate tax, applicable state inheritance or estate taxes, or any other taxes occasioned by death.

Statutory or court-ordered allowances for qualifying family members.

The payments authorized under this Section are discretionary, and no claims or right to payment by third parties may be enforced against our trust by virtue of such discretionary authority.

Our Trustee shall be indemnified from the trust property for any damages sustained by our Trustee as a result of its exercising, in good faith, the authority granted it under this Section.

The payments authorized under this Section shall be paid only to the extent that the probate assets (other than real estate, tangible personal property, or property that, in our Trustee's judgment, is not readily marketable) are insufficient to make these payments.

Section 2. Redemption of Treasury Bonds

If our trust holds United States Treasury Bonds which are eligible for redemption at par in payment of the federal estate tax, our Trustee shall redeem such bonds to the extent necessary to pay federal estate tax as a result of a death.

Section 3. Coordination with the Personal Representative

This Section shall be utilized to help facilitate the coordination between the personal representative of the deceased Trustmaker's probate estate, if any, and our Trustee with respect to any property, whether owned solely or held as community property, to the extent of the deceased Trustmaker's interest in such property owned by the Trustmaker outside of this trust agreement on the Trustmaker's death.

a. Authorized Payments

Our Trustee, in its sole and absolute discretion, may elect to make the payments authorized under this Article either directly to the appropriate persons or institutions or to the personal representative of the deceased Trustmaker's probate estate.

Our Trustee may rely upon the written statements of the deceased Trustmaker's personal representative as to all material facts relating to these payments; our Trustee shall not have any duty to see to the application of such payments.

b. Purchase of Assets and Loans

Our Trustee is authorized to purchase and retain in the form received, as an addition to our trust, any property which is a part of the deceased Trustmaker's probate estate. In addition, our Trustee may make loans, with or without security, to the deceased Trustmaker's probate estate. Our Trustee shall not be liable for any loss suffered by our trust as a result of the exercise of the powers granted in this paragraph.

c. Distributions from the Personal Representative

Our Trustee is authorized to accept distributions from the personal representative of the deceased Trustmaker's probate estate without audit and our Trustee shall be under no obligation to examine the records or accounts of the personal representative of the deceased Trustmaker's probate estate.

Section 4. Treatment of Exempt Property

In making any payments pursuant to this Article, our Trustee shall not use any property to the extent it is not included in the deceased Trustmaker's gross estate for federal estate tax purposes.

However, if our Trustee makes the determination, in its sole and absolute discretion, that other nonexempt property is not available for payments pursuant to this Article, or that it is not economically prudent to use nonexempt property for the payment of such expenses, it may then use such exempt property.

Section 5. Apportionment

All expenses and claims and all estate, inheritance, and death taxes, excluding any generation-skipping transfer tax, resulting from the death of a Trustmaker shall be paid without apportionment and without reimbursement from any person, except as otherwise specifically provided in this trust.

a. Protection of Marital Trust

Notwithstanding anything to the contrary in our trust, no death taxes payable as a result of the death of the first Trustmaker to die shall be allocated to or paid from the Marital Trust or from any assets passing to the surviving Trustmaker and qualifying for the federal estate tax marital deduction unless our Trustee has first used all other assets available to our Trustee.

b. Property Passing Outside Our Trust

Notwithstanding anything to the contrary in our trust, estate, inheritance, and death taxes assessed with regard to property passing outside of our trust or outside of our probate estates, but included in the gross estate of a Trustmaker for federal estate tax purposes, shall be chargeable against the persons receiving such property.

Section 6. Our Trustee's Authority to Make Tax Elections

Our Trustee may exercise any available elections with regard to state or federal income, inheritance, estate, succession, or gift tax law.

a. Alternate Valuation Date

The authority granted our Trustee in this Section includes the right to elect any alternate valuation date for federal estate or state estate or inheritance tax purposes.

b. Deduction of Administration Expenses

The authority granted our Trustee in this Section shall include the right to elect whether all or any parts of the administration expenses of a deceased Trustmaker's estate are to be used as estate tax deductions or income tax deductions.

No compensating adjustments need be made between income and principal as a result of such elections unless our Trustee, in its sole and absolute discretion, shall determine otherwise, or unless required by law.

c. Election for Qualified Terminable Interest Property

Our Trustee, in its sole and absolute discretion, may elect to have trust property qualify for the federal estate tax marital deduction as qualified terminable interest property under the appropriate provisions of the Internal Revenue Code and its regulations.

d. Taxes and Returns

Our Trustee may also:

Sign joint tax returns.

Pay any taxes, interest, or penalties with regard to taxes.

Apply for and collect tax refunds and interest thereon.

Article Seven
Distribution of Our Tangible Personal Property
and Specific Distributions

Section 1. Nonbusiness Tangible Personal Property

On the death of each of us, our Trustee shall distribute the nonbusiness tangible personal property belonging to the deceased Trustmaker as follows:

a. Use of Memorandum

Our Trustee shall distribute the jewelry, clothing, household furniture, furnishings and fixtures, chinaware, silver, photographs, works of art, books, boats, automobiles, sporting goods, artifacts relating to the hobbies of the deceased Trustmaker, and all other tangible articles of household or personal use in accordance with any written, signed, and dated memorandum left by the deceased Trustmaker directing the distribution of such property.

Any memorandum written, dated, and signed by the deceased Trustmaker disposing of nonbusiness tangible personal property shall be incorporated by reference into this agreement.

Should the deceased Trustmaker leave multiple written memoranda which conflict as to the disposition of any item of nonbusiness tangible personal property, that memorandum which is last dated shall control as to those items which are in conflict.

b. Distribution of Property Not Distributed by Memorandum

If state law does not allow the use of a memorandum to distribute nonbusiness tangible personal property or, to the extent that a Trustmaker's nonbusiness tangible personal property which is or becomes trust property is not disposed of by memorandum for any reason, then that nonbusiness tangible personal property shall be distributed to the surviving Trustmaker.

If both Trustmakers are deceased, our Trustee shall distribute the nonbusiness tangible personal property to the deceased Trustmaker's surviving children in substantially equal shares.

The children of the deceased Trustmaker shall then allocate specific items of property among them as they shall agree. Our Trustee may select the property for any child who is under any form of legal disability. Our Trustee shall at all times be mindful of the desires of a child when making a selection for that child.

To the extent that the children of the deceased Trustmaker fail to agree as to the division of any item of nonbusiness tangible personal property within a reasonable period of time after the death of the deceased Trustmaker, our Trustee shall, in its sole and absolute discretion, either divide the property equally among the children of the deceased Trustmaker or sell the property and treat the proceeds as nontangible personal property to be distributed under the terms of this trust agreement.

Any decision made by our Trustee with respect to either the selection or sale of the deceased Trustmaker's nonbusiness tangible personal property shall be final and shall be binding on all of the beneficiaries.

c. Distribution on the Death of a Child

If a child should die before the complete distribution of the child's share of nonbusiness tangible personal property, our Trustee shall distribute that child's share to the child's then living descendants, per stirpes.

If the child has no then living descendants, our Trustee shall distribute the balance of the property to the deceased Trustmaker's then living descendants, per stirpes.

If the deceased Trustmaker has no then living descendants, our Trustee shall distribute the balance of the trust property as provided in Article Thirteen of this agreement.

Section 2. Business Tangible Personal Property

The disposition of the tangible personal property under this Article shall not include tangible personal property which our Trustee, in its sole and absolute discretion, determines to be part of or used exclusively in any business or profession in which the deceased Trustmaker had an interest at the time of death.

Section 3. Specific Distributions of Trust Property

Neither of us wishes to make any specific distributions of trust property.

Article Eight

Creation of the Marital and Family Trusts

Section 1. Division of Trust Property

Upon the death of the first one of us to die, our Trustee shall divide the trust property into two separate trusts, to be known as the Marital Trust and the Family Trust.

a. Creation of the Marital Trust

The Marital Trust shall consist of the surviving Trustmaker's interest in the community portion of the trust property, if any, and his or her separate portion of the trust property. In addition, the Marital Trust shall consist of a dollar amount equal to the unlimited federal estate tax marital deduction allowable to the deceased Trustmaker's estate, subject to the following conditions:

1. Nontrust Marital Deduction Assets

The Marital Trust shall be reduced by the value, for federal estate tax purposes, of any interest in property which qualifies for the marital deduction and which passes or has passed from the deceased Trustmaker to the surviving Trustmaker other than under this Article.

2. Amounts Not Taxable because of the Unified Credit

The Marital Trust shall also be reduced by that amount of the deceased Trustmaker's gross estate which is not taxable by reason of the unified credit against federal estate tax (after taking into account adjusted taxable gifts, if any) as finally determined for federal estate tax purposes.

3. Minimum Value of the Marital Trust

In no event shall the value of the Marital Trust be less than the maximum amount of the deceased Trustmaker's gross estate which is not taxable by reason of the unified credit against federal estate tax, unless the combined value of the surviving Trustmaker's trust property, less all liabilities, and the deceased Trustmaker's federal estate tax gross estate, less all allowable federal estate tax deductions except the marital deduction, is less than the maximum amount which is not taxable by reason of the unified credit against the federal estate tax, in which case the entire amount of the deceased Trustmaker's trust property shall be allocated to the Marital Trust. The Marital Trust for purposes of this paragraph shall be reduced by the value of all nontrust marital deduction assets passing to the surviving Trustmaker pursuant to Paragraph a.1 of this Section.

4. Pecuniary Amount

The marital deduction amount determined under this Paragraph a shall be a pecuniary amount and not a fractional share.

b. Creation of the Family Trust

The Family Trust shall consist of the balance of the trust property.

Section 2. Allocation of Assets between the Two Trusts

Our Trustee shall have complete authority to make allocations of the deceased Trustmaker's trust property between the Marital and Family Trusts. It may, in its sole and absolute discretion, make allocations in cash or in kind, in undivided interests, or in any proportion thereof between the two trusts.

a. Nonqualifying Property

Our Trustee shall not allocate any property or the proceeds from any property to the Marital Trust which would not qualify for the

federal estate tax marital deduction in the deceased Trustmaker's estate.

b. Life Insurance Policies on the Surviving Trustmaker's Life

Our Trustee shall not allocate any policies of life insurance insuring the life of the surviving Trustmaker to the Marital Trust that are the sole and separate property of the deceased Trustmaker.

c. Insufficient Assets for Funding the Marital Trust

To the extent that there are insufficient assets qualifying for the marital deduction to fully fund the Marital Trust, the amount of the funding to the Marital Trust shall be reduced accordingly.

Section 3. The Valuation of Allocated Property

In making the computations necessary to determine the amount passing to the Marital Trust, our Trustee shall use those values as finally determined for federal estate tax purposes.

a. Valuation of Property at Distribution Date

In no event shall the aggregate fair market value of the deceased Trustmaker's cash and property on the date or dates of distribution be less than the amount of the Marital Trust as finally determined for federal estate tax purposes.

b. Consideration of Tax Consequences

When making the decision as to which of the deceased Trustmaker's property shall be allocated to the Marital Trust, our Trustee shall consider the tax consequences and advisability of allocating property subject to foreign death tax, property on which a tax credit is available, or property which is income in respect of a decedent under applicable income or estate tax laws.

Section 4. The Surviving Trustmaker's Right to Convert Marital Trust Assets

Notwithstanding anything in this agreement to the contrary, the surviving Trustmaker shall have the absolute and unequivocal right to compel our Trustee, at any time, to convert any nonproductive property held as an asset of the Marital Trust to productive property. The surviving Trustmaker shall direct our Trustee in writing to convert such property.

Section 5. Disclaimer

The surviving Trustmaker may disclaim all or any portion of any interest in property or power with respect to property passing to the surviving Trustmaker, or for the surviving Trustmaker's benefit, under this trust within the time and under the conditions permitted by law with regard to disclaimers.

The surviving Trustmaker's disclaimer may be exercised by delivering an irrevocable and unqualified refusal to accept all or any portion of such interest or power to our Trustee.

If the surviving Trustmaker exercises this disclaimer with respect to all or any portion of the Marital Trust, the interest so disclaimed shall be added to the Family Trust.

If the surviving Trustmaker exercises this disclaimer as to the surviving Trustmaker's interest in all or any portion of the Family Trust, the interest that is disclaimed shall be disposed of under the appropriate provisions of this agreement as though the surviving Trustmaker had predeceased the first Trustmaker to die.

Article Nine

The Marital Trust

Section 1. The Surviving Trustmaker's Right to Income

Our Trustee shall pay to or apply for the benefit of the surviving Trustmaker, at least monthly during the lifetime of the surviving Trustmaker, all of the net income from the Marital Trust.

Section 2. The Surviving Trustmaker's Right to Withdraw Principal

Our Trustee shall pay to or apply for the benefit of the surviving Trustmaker such amounts from the principal of the Marital Trust as the surviving Trustmaker may at any time request in writing.

No limitation shall be placed on the surviving Trustmaker as to either the amount of or reason for such invasion of principal.

Section 3. Principal Distributions in Our Trustee's Discretion

Our Trustee may also distribute to or for the benefit of the surviving Trustmaker as much of the principal of the Marital Trust as our Trustee, in its sole and absolute discretion, shall consider necessary or advisable for the education, health, maintenance, and support of the surviving Trustmaker.

Section 4. The Surviving Trustmaker's General Power of Appointment

The surviving Trustmaker shall have the unlimited and unrestricted general power to appoint, by a valid last will and testament or by a valid living trust agreement, the entire principal and any accrued and undistributed net income of the Marital Trust as it exists at the Trustmaker's death. In exercising this

general power of appointment, the surviving Trustmaker shall specifically refer to this power.

The surviving Trustmaker shall have the sole and exclusive right to exercise the general power of appointment.

This general power of appointment specifically grants to the surviving Trustmaker the right to appoint property to the surviving Trustmaker's own estate. It also specifically grants to the surviving Trustmaker the right to appoint the property among persons, corporations, or other entities in equal or unequal proportions, and on such terms and conditions, whether outright or in trust, as the surviving Trustmaker may elect.

Section 5. Administration of the Marital Trust at the Death of the Surviving Trustmaker

The Marital Trust shall terminate at the death of the surviving Trustmaker. Our Trustee shall administer the unappointed balance or remainder of the Marital Trust as follows:

a. The Surviving Trustmaker's Final Expenses

Our Trustee is authorized, but not directed, to pay the following expenses, claims, and other liabilities:

Expenses of the last illness, funeral, and burial of the Trustmaker.

Legally enforceable claims against the surviving Trustmaker or the surviving Trustmaker's estate.

Expenses with regard to the administration of the surviving Trustmaker's estate.

Federal estate tax, applicable state inheritance or estate taxes, or any other taxes occasioned by the death of the surviving Trustmaker.

Statutory or court-ordered allowances for qualifying family members.

The payments authorized under this Section are discretionary, and no claims or right to payment by third parties may be enforced against the trust by virtue of such discretionary authority.

Our Trustee shall be indemnified from the trust property for any damages sustained by our Trustee as a result of its exercising, in good faith, the authority granted it under this Section.

It is our desire that, to the extent possible, any payments authorized under this Section be paid from the surviving Trustmaker's probate estate before any payments are made pursuant to this Section.

Our Trustee shall, to the extent that it is reasonable and prudent, coordinate with the surviving Trustmaker's personal representative to minimize expenses and taxes resulting from the surviving Trustmaker's death.

b. Redemption of Treasury Bonds

If the Marital Trust holds United States Treasury Bonds eligible for redemption in payment of the federal estate tax, our Trustee shall redeem the bonds to the extent necessary to pay any federal estate tax due by reason of the death of the surviving Trustmaker.

c. Coordination with the Personal Representative

This Paragraph shall be utilized to help facilitate the coordination between the personal representative of the surviving Trustmaker's probate estate and our Trustee with respect to any property owned by the surviving Trustmaker outside of this agreement at the surviving Trustmaker's death.

1. Authorized Payments

Our Trustee, in its sole and absolute discretion, may elect to pay the payments authorized under this Section either directly to the appropriate persons or institutions or to the surviving Trustmaker's personal representative.

The payments authorized under this Section are discretionary, and no claims or right to payment by third parties may be enforced against the trust by virtue of such discretionary authority.

Our Trustee shall be indemnified from the trust property for any damages sustained by our Trustee as a result of its exercising, in good faith, the authority granted it under this Section.

It is our desire that, to the extent possible, any payments authorized under this Section be paid from the surviving Trustmaker's probate estate before any payments are made pursuant to this Section.

Our Trustee shall, to the extent that it is reasonable and prudent, coordinate with the surviving Trustmaker's personal representative to minimize expenses and taxes resulting from the surviving Trustmaker's death.

b. Redemption of Treasury Bonds

If the Marital Trust holds United States Treasury Bonds eligible for redemption in payment of the federal estate tax, our Trustee shall redeem the bonds to the extent necessary to pay any federal estate tax due by reason of the death of the surviving Trustmaker.

c. Coordination with the Personal Representative

This Paragraph shall be utilized to help facilitate the coordination between the personal representative of the surviving Trustmaker's probate estate and our Trustee with respect to any property owned by the surviving Trustmaker outside of this agreement at the surviving Trustmaker's death.

1. Authorized Payments

Our Trustee, in its sole and absolute discretion, may elect to pay the payments authorized under this Section either directly to the appropriate persons or institutions or to the surviving Trustmaker's personal representative.

Our Trustee may rely upon the written statements of the surviving Trustmaker's personal representative as to all material facts relating to these payments; our Trustee shall not have any duty to see to the application of such payments.

2. Purchase of Assets and Loans

Our Trustee is authorized to purchase and retain in the form received, as an addition to the trust, any property which is a part of the surviving Trustmaker's probate estate. In addition, our Trustee may make loans, with or without security, to the surviving Trustmaker's probate estate. Our Trustee shall not be liable for any loss suffered by the trust as a result of the exercise of the powers granted in this paragraph.

3. Distributions from the Personal Representative

Our Trustee is authorized to accept distributions from the surviving Trustmaker's personal representative without audit and our Trustee shall be under no obligation to examine the records or accounts of the personal representative.

d. Trustee's Authority to Make Tax Elections

Our Trustee may exercise any available elections with regard to state or federal income, inheritance, estate, succession, or gift tax law.

1. Alternate Valuation Date

The authority granted our Trustee in this Paragraph includes the right to elect any alternate valuation date for federal estate or state estate or inheritance tax purposes.

2. Deduction of Administration Expenses

The authority granted our Trustee in this Paragraph shall include the right to elect whether all or any parts of the administration expenses of the surviving Trustmaker's estate are to be used as estate tax deductions or income tax deductions.

No compensating adjustments need be made between income and principal as a result of such elections unless our Trustee, in its sole and absolute discretion, shall determine otherwise, or unless required by law.

3. Taxes and Returns

Our Trustee may also sign tax returns; pay any taxes, interest, or penalties with regard to taxes; and apply for and collect tax refunds and interest thereon.

Section 6. Subsequent Administration of the Marital Trust

The unappointed balance or remainder of the Marital Trust shall be administered as provided in Article Eleven.

Article Ten

The Family Trust

Section 1. The Surviving Trustmaker's Right to Income

If there is a surviving Trustmaker, our Trustee shall pay to, or apply for the benefit of, the surviving Trustmaker, at least monthly during the surviving Trustmaker's lifetime, all of the net income from the Family Trust.

Section 2. Principal Distributions in Our Trustee's Discretion

Our Trustee may also distribute to or for the benefit of the surviving Trustmaker and our descendants as much of the principal of the Family Trust as our Trustee, in its sole and absolute discretion, shall consider necessary or advisable for their education, health, maintenance, and support.

Our Trustee shall, at all times, give primary consideration to the surviving Trustmaker's education, health, maintenance, and support, and only thereafter to our descendants.

In making discretionary distributions of principal to the surviving Trustmaker, our Trustee shall preferably make all distributions of principal from the Marital Trust until it is exhausted, and only thereafter from the Family Trust.

If the surviving Trustmaker has the power to remove a Trustee of this Family Trust, our Trustee shall not distribute any of the principal of the Family Trust that would in any manner discharge the surviving Trustmaker's legal obligation to a beneficiary of the Family Trust. If the surviving Trustmaker is disabled, our Trustee shall ignore this restriction during the period of the surviving Trustmaker's disability, and the surviving Trustmaker shall not have the power to remove a Trustee of the Family Trust.

Section 3. Discretionary Guidelines for Our Trustee

Our Trustee shall be mindful that our primary concern and objective is to provide for the education, health, maintenance, and support of the surviving Trustmaker and our descendants, and that the preservation of principal is not

as important as the accomplishment of these objectives.

In making discretionary distributions pursuant to this Article, our Trustee shall consider the following factors:

a. Other Resources Available to Our Beneficiaries

Our Trustee, in making distributions pursuant to this Article, shall take into consideration, to the extent that our Trustee, in its sole and absolute discretion, deems advisable, any income or other resources which are available outside of the Family Trust to our beneficiaries.

b. Distributions to Our Beneficiaries According to Their Needs

Our Trustee may make distributions to or for the benefit of one or more of the beneficiaries of the Family Trust to the complete exclusion of the other beneficiaries. These distributions may be made to a beneficiary or beneficiaries in equal or unequal amounts according to the respective needs of our beneficiaries.

A distribution to or for the benefit of a beneficiary shall be charged to the Family Trust rather than against the beneficiary's ultimate share or the shares of those persons taking through such beneficiary upon the termination of the Family Trust.

Section 4. Limited Power of Appointment

The surviving Trustmaker shall have the limited testamentary power to appoint to or for the benefit of our descendants, either by a valid last will and testament or by a valid living trust agreement executed by the surviving Trustmaker, all or any portion of the principal and any accrued and undistributed net income of the Family Trust as it exists at the surviving Trustmaker's death.

The surviving Trustmaker may make distributions among our descendants in equal or unequal amounts, and on such terms and conditions, either outright or in trust, as the surviving Trustmaker shall determine.

This power shall not be exercised in favor of the surviving Trustmaker's estate, the creditors of the surviving Trustmaker's estate, or in any manner which

would result in any economic benefit to the surviving Trustmaker.

Section 5. Termination of the Family Trust

The Family Trust shall terminate at the death of the surviving Trustmaker. To the extent that the limited power of appointment is not exercised by the surviving Trustmaker, the remainder of the Family Trust, including any accrued and undistributed net income, shall be administered as provided in the Articles that follow.

Article Eleven

The Common Trust

It is not our desire to create a Common Trust for the benefit of our children. Upon the death of the second Trustmaker to die, all of the trust property which has not been distributed under prior provisions of this agreement shall be divided, administered, and distributed under the Articles that follow.

Article Twelve

Distribution of Our Trust Property

Section 1. Division into Separate Shares

All trust property not previously distributed under the terms of our trust shall be divided as follows:

Beneficiary	Relationship	Share
DEBRA LYNN SCHMIDT	Daughter	50%
WENDY LOUISE CARLSON	Daughter	50%

Section 2. Distribution of Trust Shares for Our Beneficiaries

The share of each beneficiary who survives us shall be distributed as follows:

a. Distribution of Trust Share for DEBRA LYNN SCHMIDT

The trust share set aside for DEBRA LYNN SCHMIDT shall forthwith terminate and our Trustee shall distribute all undistributed net income and principal to DEBRA LYNN SCHMIDT, free of the trust.

If DEBRA LYNN SCHMIDT should die before the complete distribution of her trust share, her trust shall terminate and our Trustee shall distribute the balance of the trust property to her then living descendants, per stirpes.

If DEBRA LYNN SCHMIDT has no then living descendants, our Trustee shall distribute the balance of the trust property to our then living descendants, per stirpes.

If we have no then living descendants, our Trustee shall distribute

the balance of the trust property as provided in Article Thirteen of this agreement.

b. Distribution of Trust Share for WENDY LOUISE CARLSON

The trust share set aside for WENDY LOUISE CARLSON shall forthwith terminate and our Trustee shall distribute all undistributed net income and principal to WENDY LOUISE CARLSON, free of the trust.

If WENDY LOUISE CARLSON should die before the complete distribution of her trust share, her trust shall terminate and our Trustee shall distribute the balance of the trust property to her then living descendants, per stirpes.

If WENDY LOUISE CARLSON has no then living descendants, our Trustee shall distribute the balance of the trust property to our then living descendants, per stirpes.

If we have no then living descendants, our Trustee shall distribute the balance of the trust property as provided in Article Thirteen of this agreement.

Section 3. Share of a Descendant of a Deceased Beneficiary

Each share set aside for a deceased beneficiary, if any, who has then living descendants shall be divided, administered, and distributed as follows:

a. Division into Separate Shares

Each share set aside for a deceased beneficiary who has then living descendants shall be divided into as many equal shares as shall be necessary to create one equal share for the deceased beneficiary's descendants, per stirpes.

b. Outright Distribution

If any descendant of a deceased beneficiary is over 30 years of age and is not legally incapacitated, our Trustee shall distribute that

descendant's share outright to that descendant.

**c. Retention of a Share of a Descendant Under Age 30 or Disabled
Descendant's Share in Trust**

If any descendant of a deceased beneficiary is under 30 years of age, or if any descendant of a deceased beneficiary is disabled or incapacitated as defined in Article Eighteen of this agreement, then our Trustee shall retain such share in trust under the provisions of Article Fourteen.

Section 4. Retention of Distributions in Trust

Whenever a distribution is authorized or required to be made by a provision of this Article to any beneficiary, then that beneficiary may direct our Trustee in writing to retain such distribution in trust as follows:

a. A Beneficiary's Right to Income

Our Trustee, during the lifetime of the beneficiary, shall pay to or apply for the benefit of the beneficiary from time to time and at the beneficiary's written direction all of the net income from this trust.

b. A Beneficiary's Right to Withdraw Principal

Our Trustee shall pay to or apply for the benefit of the beneficiary such amounts from the principal as the beneficiary may at any time request in writing.

No limitation shall be placed on the beneficiary as to either the amount of or reason for such invasion of principal.

c. Principal Distributions in Our Trustee's Discretion

Our Trustee may also distribute to or for the benefit of the beneficiary as much of the principal of the trust as our Trustee, in its sole and absolute discretion, shall consider necessary or advisable for the education, health, maintenance, and support of the

beneficiary.

d. A Beneficiary's General Power of Appointment

The beneficiary shall have the unlimited and unrestricted general power to appoint, by a valid last will and testament or trust agreement, the entire principal and any accrued and undistributed net income of the trust as it exists at the beneficiary's death. In exercising this general power of appointment, the beneficiary shall specifically refer to this power.

The beneficiary shall have the sole and exclusive right to exercise the general power of appointment.

This general power of appointment specifically grants to the beneficiary the right to appoint property to the beneficiary's own estate. It also specifically grants to the beneficiary the right to appoint the property among persons, corporations, or other entities in equal or unequal proportions, and on such terms and conditions, whether outright or in trust, as the beneficiary may elect.

Any property in the trust which is not distributed pursuant to the exercise of the general power of appointment shall be distributed to the beneficiary's then living descendants, per stirpes.

If the beneficiary has no then living descendants, our Trustee shall distribute the remaining trust property as provided in Article Thirteen of this agreement.

Article Thirteen

Ultimate Distribution Pattern

If at any time there is no person, corporation, or other entity entitled to receive all or any part of the trust property of one of us:

One-half of the trust property shall be distributed to those persons who would be the wife Trustmaker's heirs had she died intestate owning such property.

The balance of the property shall be distributed to those persons who would be the husband Trustmaker's heirs had he died intestate owning such property.

The distribution of trust property, for purposes of this Article, shall be determined by the laws of descent and distribution for intestate estates in the State of Oregon as such laws are in effect at the time of any distribution under this Article.

Article Fourteen
Methods of Distribution and Trust
Administration with Regard to
Minor and Disabled Beneficiaries

Section 1. General Guidelines for Distribution

Whenever a distribution is authorized or required by a provision of this agreement to any beneficiary who is disabled or incapacitated, such distribution may be made by our Trustee:

Without continuing court supervision or the intervention of a guardian, conservator, or any other legal representative.

Without giving or requiring any bond or surety on bond.

Pursuant to any of the methods authorized under this Article.

In making distributions under this Article, disability or incapacity shall include adjudicated mental incapacity by a court of competent jurisdiction, or incapacity because of age, illness, or injury.

Before making any distributions to beneficiaries, other than a Trustmaker, under this Article, it is our desire that our Trustee, to the extent that it is both reasonable and possible:

Inquire into the ultimate disposition of the distributed funds.

Take into consideration the behavior of trust beneficiaries with regard to their disposition of prior distributions of trust property.

Our Trustee shall obtain a receipt from the person, corporation, or other entity receiving any distribution called for in this Article.

Section 2. Methods of Payment

Our Trustee may make the distributions called for in this Article in any one or more of the following ways:

Directly to a beneficiary.

To persons, corporations, or other entities for the use and benefit of the beneficiary.

To an account in a commercial bank or savings institution in the name of the beneficiary, or in a form reserving the title, management, and custody of the account to a suitable person, corporation, or other entity for the use and benefit of the beneficiary.

In any prudent form of annuity purchased for the use and benefit of the beneficiary.

To any person or duly licensed financial institution, including our Trustee, as a custodian under the Uniform Transfers to Minors Act, or any similar act, of any state, or in any manner allowed by any state statute dealing with gifts or distributions to minors or other individuals under a legal disability.

To any guardian or other person deemed by our Trustee to be responsible, and who has assumed the responsibility of caring for the beneficiary.

Section 3. Our Trustee's Discretion to Keep Property in Trust

If any trust property becomes distributable to a beneficiary when the beneficiary is under 30 years of age, or when the beneficiary is under any form of legal disability, as defined in Article Eighteen, our Trustee may retain that beneficiary's share in a separate trust until he or she attains 30 years of age, or until his or her legal disability has ceased, as follows:

a. Distributions of Trust Income and Principal

Our Trustee shall apply to or for the benefit of the beneficiary as much of the net income and principal of the trust as our Trustee, in

its sole and absolute discretion, deems necessary or advisable for the beneficiary's education, health, maintenance, and support. Once a beneficiary reaches age 25, our Trustee shall pay to, or for the benefit of, the beneficiary, at least monthly, all net income from his or her trust share.

In making any distributions of income and principal under this Article, our Trustee shall be mindful of, and take into consideration to the extent it deems necessary, any additional sources of income and principal available to the beneficiary which arise outside of this agreement.

Any net income not distributed to a beneficiary shall be accumulated and added to principal.

b. Guidelines for Discretionary Distributions

To the extent that we have given our Trustee any discretionary authority over the distribution of income or principal to a beneficiary, it is our desire that our Trustee be liberal in exercising such discretion.

We also desire that our Trustee give assistance to a beneficiary for:

The purchase of a residence.

The purchase or establishment of a business
or professional practice.

Any other extraordinary opportunity or expense
deemed by our Trustee to be in the best interests
of a beneficiary.

It is our express desire that our Trustee take into consideration the future probable needs of a beneficiary prior to making any discretionary distributions hereunder.

c. Distribution to Beneficiaries

Our Trustee shall distribute the trust property to a beneficiary:

When he or she attains twenty-five years of age as specified herein; or

When he or she ceases to be disabled as determined by a court of competent jurisdiction.

d. Distribution of Share of Beneficiary Under Age 30

If a beneficiary is under 25 years of age on the creation of his or her trust, our Trustee shall distribute 50% of the principal to the beneficiary, free of the trust, when the beneficiary reaches age 25. When a beneficiary reaches the age of 30, our Trustee shall distribute the balance of the trust principal, as it is then constituted, to the beneficiary, free of the trust.

If a beneficiary is 25 years of age or older and under 30 years of age on the creation of his or her trust, our Trustee shall immediately distribute 50% of the principal to the beneficiary, free of the trust. When the beneficiary reaches the age of 30, our Trustee shall distribute the balance of the trust principal, as it is then constituted, to the beneficiary, free of the trust.

e. Distribution on Death of a Beneficiary

If a beneficiary should die before the complete distribution of his or her trust, the trust shall terminate and all of the trust property shall be distributed to the then living descendants of the beneficiary, per stirpes.

If the beneficiary has no then living descendants, our Trustee shall distribute the remaining trust property to our then living descendants, per stirpes.

If we have no then living descendants, our Trustee shall distribute the remaining trust property as provided in Article Thirteen of this agreement.

Article Fifteen
The Resignation, Replacement, and
Succession of Our Trustees

Section 1. The Resignation of a Trustee

Any Trustee may resign by giving thirty days' written notice to each of us or to our respective legal representatives. If either of us is not living, the notice shall be delivered to the Trustee and to all of the beneficiaries then eligible to receive mandatory or discretionary distributions of net income from any trust created under this agreement.

If a beneficiary is a minor or is legally incapacitated, the notice shall be delivered to that beneficiary's guardian or other legal representative.

Section 2. The Removal of a Trustee

Any Trustee may be removed as follows:

a. Removal by Us

We reserve the right to remove any Trustee at any time, but only if we both agree.

b. Removal by One of Us

After one of us dies or during any period that one of us is disabled and the other Trustmaker is living and is not disabled, the surviving nondisabled Trustmaker may remove any Trustee.

c. Removal by Other Beneficiaries

After the death or incapacity of both of us, a majority of the beneficiaries then eligible to receive mandatory or discretionary

distributions of net income under this agreement may remove any Trustee.

d. Notice of Removal

Neither of us, nor any of our beneficiaries, need not give any Trustee being removed any reason, cause, or ground for such removal.

Notice of removal shall be effective when made in writing by either:

Personally delivering notice to the Trustee and securing a written receipt, or

Mailing notice in the United States mail to the last known address of the Trustee by certified mail, return receipt requested.

Section 3. Replacement of Trustees

Whenever a Trustee is removed, dies, resigns, becomes legally incapacitated, or is otherwise unable or unwilling to serve, that Trustee shall be replaced as follows:

a. The Death or Disability of a Trustee While We Are Serving as Trustees

We may serve as the only Trustees or we may name any number of Trustees to serve with us. If any of these other Trustees subsequently die, resign, become legally incapacitated, or are otherwise unable or unwilling to serve as a Trustee, we may or may not fill the vacancy, as we both agree.

b. Disability Trustees of JOSEPH A. CARLSON

Upon the disability of JOSEPH A. CARLSON, LOUISE M. CARLSON shall serve as disability Trustee.

If the nondisabled Trustmaker is then serving as a Trustee, she shall continue to serve upon the disability of JOSEPH A. CARLSON.

If the disability Trustee is unwilling or unable to serve, or cannot continue to serve for any other reason, then the following shall be named as replacement disability Trustees in the order in which their names appear:

1. WENDY LOUISE CARLSON
2. DEBRA LYNN SCHMIDT
3. CLEO JONES

c. Disability Trustees of LOUISE M. CARLSON

Upon the disability of LOUISE M. CARLSON, JOSEPH A. CARLSON shall serve as disability Trustee.

If the nondisabled Trustmaker is then serving as a Trustee, he shall continue to serve upon the disability of LOUISE M. CARLSON.

If the disability Trustee is unwilling or unable to serve, or cannot continue to serve for any other reason, then the following shall be named as replacement disability Trustees in the order in which their names appear:

1. WENDY LOUISE CARLSON
2. DEBRA LYNN SCHMIDT
3. CLEO JONES

d. Death Trustees of JOSEPH A. CARLSON

On the death of JOSEPH A. CARLSON, LOUISE M. CARLSON acting as our death Trustee shall replace all of our initial Trustees, if they are then serving, or all of the disability Trustees, if they are then serving.

If the surviving Trustmaker is then serving as a Trustee, she shall continue to serve upon the death of JOSEPH A. CARLSON.

If the death Trustee is unwilling or unable to serve as a death Trustee, or cannot continue to serve for any other reason, then the following shall be named as successor death Trustees in the order in which their names appear:

1. WENDY LOUISE CARLSON
2. DEBRA LYNN SCHMIDT
3. CLEO JONES

If assets are allocated to the Family Trust, LOUISE M. CARLSON shall not serve as sole Trustee of the Family Trust, but as a co-Trustee with WENDY LOUISE CARLSON. If WENDY LOUISE CARLSON cannot serve for any reason then the following shall be named as successor co-Trustee:

1. DEBRA LYNN SCHMIDT
2. CLEO JONES

e. Death Trustees of LOUISE M. CARLSON

On the death of LOUISE M. CARLSON, JOSEPH A. CARLSON acting as our death Trustee shall replace all of our initial Trustees, if they are then serving, or all of the disability Trustees, if they are then serving.

If the surviving Trustmaker is then serving as a Trustee, he shall continue to serve upon the death of LOUISE M. CARLSON.

If the death Trustee is unwilling or unable to serve as a Trustee, or cannot continue to serve for any other reason, then the following shall be named as successor death Trustees in the order in which their names appear:

1. WENDY LOUISE CARLSON
2. DEBRA LYNN SCHMIDT
3. CLEO JONES

If assets are allocated to the Family Trust, JOSEPH A. CARLSON shall not serve as sole Trustee of the Family Trust, but as a co-Trustee with WENDY LOUISE CARLSON. If WENDY LOUISE CARLSON cannot serve for any reason then the following shall be named as successor co-Trustee:

1. DEBRA LYNN SCHMIDT
2. CLEO JONES

f. Successor Trustees

A successor death Trustee shall be replaced upon death, resignation, or legal disability and the next successor death Trustee in the order named above shall serve and carry out the terms and provisions of our trust.

A Trustee may be listed more than once in this Section or an initial Trustee may also be named as a disability Trustee or a Trustee who will serve at death. Naming a Trustee more than once is done as a convenience only and is not to be construed as a termination of that Trustee's trusteeship.

g. Unfilled Trusteeship

In the event no named Trustees are available, a majority of the beneficiaries then eligible to receive mandatory or discretionary distributions of net income under this agreement shall forthwith name a corporate fiduciary.

If a majority of the beneficiaries then eligible to receive mandatory or discretionary distributions of net income under this agreement cannot agree on a corporate fiduciary, any beneficiary can petition a court of competent jurisdiction, ex parte, to designate a corporate fiduciary as a Trustee.

The court that designates the successor Trustee shall not acquire any jurisdiction over any trust created under this agreement, except to the extent necessary to name a corporate fiduciary as a successor Trustee.

Section 4. Corporate Fiduciaries

Any corporate fiduciary named in this trust agreement or appointed by a court of competent jurisdiction as a Trustee must be a bank or trust company situated in the United States having trust powers under applicable federal or state law.

Such fiduciary shall have a combined capital and surplus of at least 5 million dollars.

Section 5. Powers and Liabilities of Successor Trustee

Any successor Trustee, whether corporate or individual, shall have all of the rights, powers, and privileges, and be subject to all of the obligations and duties, both discretionary and ministerial, as given to the original Trustees.

Any successor Trustee shall be subject to any restrictions imposed on the original Trustees. No successor Trustee shall be required to examine the accounts, records, and acts of any previous Trustees.

No successor Trustee shall in any way be responsible for any act or omission to act on the part of any previous Trustees.

Article Sixteen
General Matters and Instructions
with Regard to the Trusteeship

Section 1. Use of "Trustee" Nomenclature

As used throughout this agreement, the word "Trustee" shall refer to our initial Trustee as well as any single, additional, or successor Trustees. It shall also refer to any individual, corporation, or other entity acting as a replacement, substitute, or added Trustee.

Section 2. No Requirement to Furnish Bond

Our Trustee shall not be required to furnish any bond for the faithful performance of its duties.

If a bond is required by any law or court of competent jurisdiction, it is our desire that no surety be required on such bond.

Section 3. Court Supervision Not Required

All trusts created under this agreement shall be administered free from the active supervision of any court.

Any proceedings to seek judicial instructions or a judicial determination shall be initiated by our Trustee in the appropriate state court having original jurisdiction of those matters relating to the construction and administration of trusts.

Section 4. Our Trustee's Responsibility to Make Information Available to Beneficiaries

Our Trustee shall report, at least semiannually, to the beneficiaries then eligible to receive mandatory or discretionary distributions of the net income

from the various trusts created in this agreement all of the receipts, disbursements, and distributions occurring during the reporting period along with a complete statement of the trust property.

The trust's books and records along with all trust documentation shall be available and open at all reasonable times to the inspection of the trust beneficiaries and their representatives.

Our Trustee shall not be required to furnish trust records or documentation to any individual, corporation, or other entity that is not a beneficiary, does not have the express written approval of a beneficiary, or is not requesting such pursuant to a court order.

Section 5. Delegation among Our Trustees

Any Trustee may delegate to any other Trustee the power to exercise any or all powers granted our Trustee in this agreement, including those which are discretionary, if allowed by law.

Our delegating Trustee may revoke any such delegation at will.

The delegation of any such power, as well as the revocation of any such delegation, shall be evidenced by an instrument in writing executed by the delegating Trustee.

As long as any such delegation is in effect, any of the delegated powers may be exercised by the Trustee receiving such delegation with the same force and effect as if the delegating Trustee had personally joined in the exercise of such power.

Section 6. Utilization of Substitute Trustee

If our Trustee is unwilling or unable to act as to any trust property, our Trustee shall designate, in writing, an individual, bank trust department, or trust company to act as a substitute Trustee with regard to such property.

The property being administered by the substitute Trustee, as well as the net income therefrom, shall be distributed or remitted as directed by the delegating Trustee consistent with the terms of this agreement.

Each substitute Trustee shall exercise all of the fiduciary powers granted by this agreement unless expressly limited by the delegating Trustee in the instrument appointing such substitute Trustee, or by any provision within this Section.

Any substitute Trustee may resign at any time by delivering written notice to our Trustee to that effect.

Section 7. Trustee's Fee

Our Trustee shall be entitled to fair and reasonable compensation for the services it renders as a fiduciary. The amount of compensation shall be an amount equal to the customary and prevailing charges for services of a similar nature during the same period of time and in the same geographic locale.

Our Trustee shall be reimbursed for the reasonable costs and expenses incurred in connection with its fiduciary duties under this agreement.

Section 8. A Majority of Trustees Required to Control

When more than two Trustees are acting, the concurrence and joinder of a majority of Trustees shall control in all matters pertaining to the administration of any trust created under this agreement.

If only two Trustees are acting, the concurrence and joinder of both shall be required.

When more than two Trustees are acting, any dissenting or abstaining Trustee may be absolved from personal liability by registering a written dissent or abstention with the records of the trust; the dissenting Trustee shall thereafter act with the other Trustees in any manner necessary or appropriate to effectuate the decision of the majority.

Section 9. Successor Corporate Fiduciaries

If any bank or trust company succeeds to the trust business of any corporate fiduciary serving as a Trustee under this agreement, whether because of a name change or any other form of reorganization, or if such corporate

fiduciary ever transfers all of its existing business to any other bank or trust company, the successor shall thereupon, without any action being required, succeed to the trusteeship as if originally named.

Section 10. Early Termination of Trusts Based on Cost

If our Trustee, other than the surviving Trustmaker acting as a Trustee, shall determine, in its sole and absolute discretion, that any trust created under this agreement has become uneconomical to administer due to the high cost of administration relative to the value of the trust property, our Trustee may terminate such trust or trusts and distribute the trust property, including any accrued but undistributed net income, in the following order:

To either one of us if we are then living.

To the then mandatory income beneficiaries of the trust, per stirpes.

To the beneficiaries then entitled to receive discretionary payments of income of the trust, per stirpes.

Section 11. Generation-Skipping Tax Provisions

In order to minimize the impact of any generation-skipping tax that may be applied to any of the trusts created by this agreement or their beneficiaries, our Trustee, in its sole and absolute discretion, is authorized to take the following actions:

a. Division into Exempt and Nonexempt Trusts

If any trust created under this agreement would be partially exempt from generation-skipping tax by reason of an allocation of a generation-skipping tax exemption to it, prior to such allocation our Trustee shall divide the total trust assets into two separate trust shares of equal or unequal value, to permit allocation of the exemption solely to one trust share (the "exempt trust"). The exempt trust shall consist of a fractional interest of the total trust assets in an amount necessary to cause the exempt trust to be entirely exempt from generation-skipping tax. The other trust share

(the "nonexempt trust") shall consist of the remaining fractional interest of the total trust assets. For purposes of this allocation, assets values as finally determined for federal estate tax purposes shall be used.

b. Additions to a Separate Trust

If a trust under this agreement, whether created under this Section or not, is entirely exempt or nonexempt from generation-skipping tax and adding property to it would partially subject the trust to generation-skipping tax, our Trustee may hold that property in a separate trust in lieu of making the addition.

c. Terms of the Trusts

If our Trustee divides a trust into two separate trust shares or creates a separate trust for additions, the trusts or trust shares that result shall have the same terms and conditions as the original trust. Our Trustee shall not make discretionary distributions from the income or principal of the exempt trust to beneficiaries who are nonskip persons as long as any readily marketable assets remain in the nonexempt trust.

d. Allocation from an Exempt Trust First

Upon division or distribution of an exempt trust and a nonexempt trust, our Trustee may allocate property from the exempt trust first to a share from which a generation-skipping transfer is more likely to occur.

e. Taxable Distributions

If our Trustee considers that any distribution from a trust under this agreement, other than pursuant to a power to withdraw or appoint, is a taxable distribution subject to a generation-skipping tax payable by the beneficiary, our Trustee shall augment the distribution by an amount which our Trustee estimates to be sufficient to pay the tax and shall charge the same against the trust to which the tax relates.

f. Taxable Terminations

If our Trustee considers that any termination of an interest in trust property is a taxable termination subject to a generation-skipping tax, our Trustee shall pay the tax from the portion of the trust property to which the tax relates, without adjustment of the relative interests of the beneficiaries.

Article Seventeen
Our Trustee's Administrative and
Investment Powers

Section 1. Introduction to Trustee's Powers

Except as otherwise provided in this agreement, our Trustee shall have both the administrative and investment powers enumerated under this Article and any other powers granted under the Uniform Trustees Powers Act otherwise known as ORS 128.003 and ORS 128.045 with respect to the various trusts created by this agreement.

Section 2. Powers to Be Exercised in the Best Interests of the Beneficiaries

Our Trustee shall exercise the following administrative and investment powers without the order of any court, as our Trustee determines in its sole and absolute discretion to be in the best interests of the beneficiaries.

Notwithstanding anything to the contrary in this agreement, our Trustee shall not exercise any power in a manner inconsistent with the beneficiaries' right to the beneficial enjoyment of the trust property in accordance with the general principles of the law of trusts.

Section 3. Administrative and Investment Powers

Our Trustee is hereby granted the following administrative and investment powers:

a. Agricultural Powers

Our Trustee may retain, sell, acquire, and continue any farm or ranching operation whether as a sole proprietorship, partnership, or corporation.

It may engage in the production, harvesting, and marketing of both farm and ranch products either by operating directly or with management agencies, hired labor, tenants, or sharecroppers.

It may engage and participate in any government farm program, whether state or federally sponsored.

It may purchase or rent machinery, equipment, livestock, poultry, feed, and seed.

It may improve and repair all farm and ranch properties; construct buildings, fences, and drainage facilities; acquire, retain, improve, and dispose of wells, water rights, ditch rights, and priorities of any nature.

Our Trustee may, in general, do all things customary or desirable to operate a farm or ranch operation for the benefit of the beneficiaries of the various trusts created under this agreement.

b. Business Powers

Our Trustee may retain and continue any business in which one or both of us have or had an interest as a shareholder, partner, sole proprietor, or as a participant in a joint venture, even though that interest may constitute all or a substantial portion of the trust property.

It may directly participate in the conduct of any such business or employ others to do so on behalf of the beneficiaries.

It may execute partnership agreements, buy-sell agreements, and any amendments to them.

It may participate in the incorporation of any trust property; any corporate reorganization, merger, consolidation, recapitalization, liquidation, dissolution; or any stock redemption or cross purchase buy-sell agreement.

It may hold the stock of any corporation as trust property, and may elect or employ directors, officers, employees, and agents and compensate them for their services.

It may sell or liquidate any business interest that is part of the trust property.

It may carry out the provisions of any agreement entered into by one or both of us for the sale of any business interest or the stock thereof.

Our Trustee may exercise all of the business powers granted in this agreement regardless of whether our Trustee is personally interested or an involved party with respect to any business enterprise forming a part of the trust property.

c. Common Fund Powers

For the purpose of convenience with regard to the administration and investment of the trust property, our Trustee may hold the several trusts created under this agreement as a common fund.

Our Trustee may make joint investments with respect to the funds comprising the trust property.

Our Trustee may enter into any transaction authorized by this Article with fiduciaries of other trusts or estates in which any beneficiary hereunder has an interest, even though such fiduciaries are also Trustees under this agreement.

d. Compensation Powers

Our Trustee shall pay from income or principal all of the reasonable expenses attributable to the administration of the respective trusts created in this agreement.

Our Trustee shall pay itself reasonable compensation for its services as fiduciary as provided in this agreement, and shall reasonably compensate those persons employed by our Trustee, including agents, auditors, accountants, and attorneys.

e. Distribution Powers

Our Trustee is specifically authorized to make divisions and distributions of the trust property either in cash or in kind, or partly in cash and partly in kind, or in any proportion it deems advisable.

It shall be under no obligation or responsibility to make pro rata divisions and distributions in kind.

Our Trustee may allocate specific property to any beneficiary or share although the property may differ in kind from the property allocated to any other beneficiary or share.

The foregoing powers may be exercised regardless of the income tax basis of any of the property.

f. Funeral and Burial Expenses

Our Trustee may in its sole discretion pay the funeral and burial expenses, expenses of the last illness, and valid claims and expenses of an income beneficiary of any trust created under this agreement.

Funeral and burial expenses shall include, but not be limited to, the cost of memorials of all types and memorial services of such kind as our Trustee shall approve. Valid claims and expenses shall include, but not be limited to, all state and federal death taxes.

The payments shall be paid from the assets of the trust or trusts from which the beneficiary was receiving income.

g. Income and Principal Powers

Our Trustee may determine in a fair, equitable, and practical manner how all Trustee's fees, disbursements, receipts, and wasting assets shall be credited, charged, or apportioned between principal and income.

Our Trustee may set aside from trust income reasonable reserves for taxes, assessments, insurance premiums, repairs, depreciation, obsolescence, depletion, and for the equalization of payments to or for the beneficiaries; it may select any and all accounting periods with regard to the trust property.

h. Investment Powers in General

Our Trustee may invest and reinvest in such classes of stocks, bonds, securities, commodities, options, metals, or other property, real or personal, as it shall determine.

It may invest in investment trusts as well as in common trust funds.

It may purchase life, annuity, accident, sickness, and medical insurance on the behalf of and for the benefit of any trust beneficiary.

i. Life Insurance Powers

Our Trustee shall have the powers with regard to life insurance as set forth in this Paragraph i, except as otherwise provided in this agreement.

Our Trustee may purchase, accept, hold, and deal with as owner policies of insurance on our individual or joint lives, the life of any trust beneficiary, or on the life of any person in whom any trust beneficiary has an insurable interest.

Our Trustee shall have the power to execute or cancel any automatic premium loan agreement with respect to any policy, and shall have the power to elect or cancel any automatic premium loan provision in a life insurance policy.

Our Trustee may borrow money with which to pay premiums due on any policy either from the company issuing the policy or from any other source and may assign any such policy as security for the loan.

Our Trustee shall have the power to exercise any option contained in a policy with regard to any dividend or share of surplus apportioned to the policy, to reduce the amount of a policy or convert or exchange the policy, or to surrender a policy at any time for its cash value.

Our Trustee may elect any paid-up insurance or any extended-term insurance nonforfeiture option contained in a policy.

Our Trustee shall have the power to sell policies at their fair market value to the insured or to anyone having an insurable interest in the policies.

Our Trustee shall have the right to exercise any other right, option, or benefit contained in a policy or permitted by the insurance company issuing that policy.

Upon termination of any trust created under this agreement, our Trustee shall have the power to transfer and assign the policies held by the trust as a distribution of trust property.

j. Loan, Borrowing, and Encumbrance Powers

Our Trustee may loan money to any person, including a beneficiary, with or without interest, on any term or on demand, with or without collateral, as it deems in the best interests of the trust beneficiaries.

It may borrow money upon such terms and conditions as it shall deem advisable, including, in the case of a corporate fiduciary, the power to borrow from its own banking or commercial department.

It shall have the power to obligate the trust property for the repayment of any sums borrowed where the best interests of the beneficiaries have been taken into consideration.

Our Trustee shall have the power to encumber the trust property, in whole or in part, by a mortgage or mortgages, deeds of trust, or by pledge, hypothecation or otherwise, even though such encumbrance may continue to be effective after the term of any trust or trusts created in this agreement.

k. Margin, Brokerage, and Bank Account Powers

Our Trustee is authorized to buy, sell, and trade in securities of any nature, including short sales and on margin. Our Trustee may maintain and operate margin accounts with brokers, and may pledge any securities held or purchased by our Trustee with such brokers as securities for loans and advances made to our Trustee. Our Trustee is authorized to establish and maintain bank accounts of all types in one or more banking institutions that our Trustee may choose.

l. Mortgage Powers

Our Trustee shall have the power to enter into any mortgage whether as a mortgagee or mortgagor, to purchase mortgages on the open market, and to otherwise buy, sell, or trade in first or subordinate mortgages.

It may reduce the interest rate on any mortgage and consent to the modification or release of any guaranty of any mortgage.

Our Trustee may continue mortgages upon and after maturity with or without renewal or extension, and may foreclose any mortgage. It may purchase the mortgaged property or acquire it by deed from the mortgagor without foreclosure.

m. Nominee Powers

Our Trustee may hold any trust property in the name of our Trustee, or in the name of a nominee, and may enter into agreements to facilitate holding such property. It may accomplish such with or without disclosing its fiduciary capacity.

n. Nonproductive Property

Our Trustee may hold property which is non-income producing or is otherwise nonproductive if the holding of such property is, in the sole and absolute discretion of our Trustee, in the best interests of the beneficiaries.

o. Oil, Gas, Coal, and Other Mineral Powers

Our Trustee may do all things necessary to maintain in full force and effect any oil, gas, coal, or other mineral interests comprising part or all of the trust property.

It may purchase additional oil, gas, coal, and other mineral interests when necessary or desirable to effect a reasonable plan of operation or development with regard to the trust property.

It may buy or sell undivided interests in oil, gas, coal, and other mineral interests, and may exchange any of such interests for interests in other properties or for services.

It may execute oil, gas, coal, and other mineral leases on such terms as our Trustee may deem proper, and may enter into pooling, unitization, repressurization, and other types of agreements relating to the development, operation, and conservation of mineral properties.

Any lease or other agreement may have a duration that our Trustee deems reasonable, even though extending beyond the duration of any trust created in this agreement.

It may execute division orders, transfer orders, releases, assignments, farmouts, and any other instruments which it deems proper.

It may drill, test, explore, mine, develop, and otherwise exploit any and all oil, gas, coal, and other mineral interests, and may select, employ, utilize, or participate in any business form, including partnerships, joint ventures, co-owners' groups, syndicates, and corporations, for the purpose of acquiring, holding, exploiting, developing, operating, or disposing of oil, gas, coal, and other mineral interests.

It may employ the services of consultants or outside specialists in connection with the evaluation, management, acquisition, disposition, or development of any mineral interest, and may pay the cost of such services from the principal or income of the trust property.

Our Trustee may use the general assets of the trusts created under this agreement for the purposes of acquiring, holding, managing, developing, pooling, unitizing, repressuring, or disposing of any mineral interest.

p. Powers of Attorney

Our Trustee may execute, deliver, and grant to any individual or corporation a revocable or irrevocable power of attorney to transact any and all business on behalf of the various trusts created in this agreement.

The power of attorney may grant to the attorney-in-fact all of the rights, powers, and discretion that our Trustee could have exercised.

q. Powers to Merge Similar Trusts

Our Trustee may merge and consolidate any trust created in this agreement with any other trust created by both or either of us, or any other person at any other time, if the other trust contains substantially the same terms for the same beneficiaries, and has at least one Trustee in common with the trust or trusts created in this agreement.

Our Trustee may administer such merged and consolidated trusts as a single trust or unit. If, however, such a merger or consolidation does not appear feasible, as determined in the sole and absolute discretion of our Trustee, the Trustee may consolidate the assets of such trusts for purposes of investment and trust administration while retaining separate records and accounts for the respective trusts.

r. Powers of an Interested Trustee

An interested Trustee is any Trustee who has an interest as a beneficiary in this trust agreement or any trust created by it. In all instances where an interested Trustee distributes, or participates in the distribution, of trust income or principal to or for the benefit of such Trustee, then the distribution shall be limited by the ascertainable standards of education, health, maintenance, and support. Notwithstanding anything in this agreement to the contrary, in making such distributions, the interested Trustee shall not use discretion in applying those ascertainable standards.

No individual Trustee shall exercise or participate in the exercise of such discretionary power with respect to distributions to any person or persons such Trustee is legally obligated to support, as to that support obligation.

s. Powers of an Insured Trustee

Any individual Trustee under this agreement, other than either of us, is prohibited from exercising any power conferred on the owner of

any policy which insures the life of such individual Trustee and which is held as part of the trust property.

If our Trustee holds any such policy or policies as a part of the trust property, the powers conferred on the owner of such a policy shall be exercised only by the other then acting Trustee.

If the insured Trustee is the only then acting Trustee, then such powers shall be exercised by a substitute Trustee designated pursuant to the provisions of this agreement dealing with the trusteeship.

If any rule of law or court decision construes the ability of the insured Trustee to name a substitute Trustee as an incident of ownership, the substitution process shall be implemented by a majority of the then current mandatory and discretionary income beneficiaries, excluding the insured Trustee if the insured Trustee is a beneficiary.

t. Real Estate Powers

Our Trustee may make leases and grant options to lease for any term, even though the term may extend beyond the termination of any trust created under this agreement.

It may grant or release easements and other interests with respect to real estate, enter into party wall agreements, execute estoppel certificates, and develop and subdivide any real estate.

It may dedicate parks, streets, and alleys or vacate any street or alley, and may construct, repair, alter, remodel, demolish, or abandon improvements.

It may elect to insure, as it deems advisable, all actions contemplated by this subsection.

Our Trustee may take any other action reasonably necessary for the preservation of real estate and fixtures comprising a part of the trust property or the income therefrom.

u. S Corporation Stock

If any stock of an S corporation becomes distributable to a trust created under this agreement, and such trust is not a qualified Subchapter S trust, our Trustee may implement any of the following alternatives with respect to the S corporation stock:

1. A Sole Beneficiary

Where the original trust is for a sole beneficiary, our Trustee may create for that beneficiary a separate trust that qualifies as a Subchapter S trust, and then distribute such stock to the newly created trust.

2. Multiple Beneficiaries

Where the original trust is for multiple beneficiaries, our Trustee may divide the trust into separate trusts for each of the beneficiaries. Each newly created trust shall hold that beneficiary's pro rata share of the S corporation stock, and shall qualify as a Subchapter S trust.

3. Outright Distribution

If circumstances prevent our Trustee from accomplishing the first two alternatives under this paragraph, our Trustee may, in its sole and absolute discretion, distribute such stock to the beneficiaries as if the trust had terminated, while continuing to hold any other non-S corporation property in trust.

Each newly created S corporation trust shall have mandatory distributions of income and shall not provide for powers of appointment that can be exercised by the beneficiary during the beneficiary's lifetime. In all other respects, the newly created trusts shall be as consistent as possible with the original trusts and still qualify as Subchapter S trusts.

Our Trustee may take any action necessary with regard to S corporations, including making any elections required to qualify stock as S corporation stock, and may sign all required tax returns and forms.

v. Sale, Lease, and Other Dispositive Powers

Our Trustee may sell, lease, transfer, exchange, grant options with respect to, or otherwise dispose of the trust property.

It may deal with the trust property at such time or times, for such purposes, for such considerations and upon such terms, credits, and conditions, and for such periods of time, whether ending before or after the term of any trust created under this agreement, as it deems advisable.

Our Trustee may make such contracts, deeds, leases, and any other instruments it deems proper under the immediate circumstances, and may deal with the trust property in all other ways in which a natural person could deal with his or her property.

w. Securities Powers

In addition to those other securities powers granted throughout this Article, our Trustee may retain, exercise, or sell rights of conversion or subscription with respect to any securities held as part of the trust property.

Our Trustee may vote or refrain from voting at corporate meetings either in person or by proxy, whether general or limited, and with or without substitutions.

x. Settlement Powers

Our Trustee may compromise, adjust, arbitrate, alter the terms of, or abandon any claim in favor of or against any trust created under this agreement, and may take deeds in lieu of foreclosure.

y. Trust Addition and Retention Powers

Our Trustee is authorized to receive additional trust property, whether by gift, will, or otherwise, either from us, from either of us, or from any other person, corporation, or entity.

Upon receipt of any additional property, our Trustee shall administer and distribute the same as part of the trust property.

Our Trustee may retain, without liability for depreciation or loss resulting from such retention, all property constituting the trust estate at the time of its creation or thereafter received from other sources.

The foregoing shall be acceptable even though such property may not be of the character prescribed by law for the investment of trust funds or may result in inadequate diversification of the trust property.

z. Trustees' or Fiduciaries' Powers Acts

In addition to all of the powers specifically granted our Trustee in this Article, our Trustee may exercise those powers set forth under the Trustees' or Fiduciaries' Powers Acts, or their equivalent, of the State of Oregon, together with any amendment to such laws.

Our Trustee may perform every act reasonably necessary to administer each and every share or trust created under this agreement.

All of the powers granted to our Trustee in this Article shall be in addition to those powers conferred upon Trustees under all applicable state and federal statutes.

Each power conferred upon our Trustee under this Article, or upon Trustees in general, by applicable state or federal statutes, shall be subject to any express limitations or contrary directions contained in this agreement.

Our Trustee shall have the following powers with respect to each safe deposit box rented at any bank in the trust name:

- a) To enter into a rental agreement;
- b) To gain access to the box and its contents and to deposit, transfer, and remove box contents;
- c) To receive statements, notices and similar documents from a bank and act with respect to them;
- d) To pay all taxes, charges and expenses connected with a rental agreement and related services.

Article Eighteen

Definitions and General Provisions

Section 1. Definitions

For purposes of this agreement, the following words and phrases shall be defined as follows:

a. Adopted and Afterborn Persons

Persons who are legally adopted while they are under 18 years of age shall be treated for all purposes under this agreement as though they were the naturally born children of their adopting parents.

A child in gestation who is later born alive shall be considered a child in being throughout the period of gestation.

b. Descendants

A person's descendants shall include all of his or her lineal descendants through all generations.

A descendant in gestation who is later born alive shall be considered a descendant in being throughout the period of gestation.

An adopted person, and all persons who are the descendants by blood or by legal adoption while under the age of 18 years of such adopted person, shall be considered descendants of the adopting parents as well as the adopting parents' ancestors.

c. Per Stirpes Distributions

Whenever a distribution is to be made to a person's descendants, per stirpes:

would have normally been received via certified mail, provided there is evidence of mailing.

e. Applicable State Law

The validity of this trust shall be determined by reference to the laws of the State of Oregon.

Except as otherwise provided in this agreement, the construction of this agreement shall be determined in accordance with Oregon law. For purposes of determining the distribution of any trusts created and the rights of beneficiaries, Oregon law regarding wills existing at the date of this agreement shall be applied as if we were the testators and the beneficiaries were devisees.

f. Duplicate Originals

This agreement may be executed in several counterparts; each counterpart shall be considered a duplicate original agreement.

g. Severability

If any provision of this agreement is declared by a court of competent jurisdiction to be invalid for any reason, such invalidity shall not affect the remaining provisions of this agreement. The remaining provisions shall be fully severable, and this agreement shall be construed and enforced as if the invalid provision had never been included in this agreement.

**Last Will
of
JOSEPH A. CARLSON**

I, JOSEPH A. CARLSON, of SPRINGFIELD, LANE County, Oregon, make this Will and revoke all of my prior wills and codicils.

Article One

My Family

I am married and my spouse's name is LOUISE M. CARLSON.

All references to "my spouse" in my Will are to her.

The names and birth dates of my children are:

DEBRA LYNN SCHMIDT, born July 27, 1955

WENDY LOUISE CARLSON, born November 21, 1958

All references to my children in my will are to these children, as well as any children subsequently born to me, or legally adopted by me.

JAC LO [Signature]

Article Two

Distribution of My Property

Section 1. Pour-Over to My Living Trust

All of my property of whatever nature and kind, wherever situated, shall be distributed to my revocable living trust. The name of my trust is:

JOSEPH A. CARLSON and LOUISE M. CARLSON,
Trustees, or their successors in trust, under the CARLSON
LOVING® TRUST, dated November 22, 1993, and any
amendments thereto.

Section 2. Alternate Disposition

If my revocable living trust is not in effect at my death for any reason whatsoever, then all of my property shall be disposed of under the terms of my revocable living trust as if it were in full force and effect on the date of my death.

Article Three

Powers of My Personal Representative

My personal representative shall have the power to perform all acts reasonably necessary to administer my estate, as well as any powers set forth in the statutes in the State of Oregon relating to the powers of fiduciaries.

JAC LB 

Article Four
Payment of Expenses and Taxes
and Tax Elections

Section 1. Cooperating with the Trustee of My Living Trust

I direct my personal representative to consult with the Trustee of my revocable living trust to determine whether any expense or tax shall be paid from my trust or from my probate estate.

Section 2. Tax Elections

My personal representative, in its sole and absolute discretion, may exercise any available elections with regard to any state or federal tax laws.

My personal representative, in its sole and absolute discretion, may elect to have all, none, or part of the property comprising my estate for federal estate tax purposes qualify for the federal estate tax marital deduction as qualified terminable interest property under Section 2056(B)(7) of the Internal Revenue Code.

My personal representative shall not be liable to any person for decisions made in good faith under this Section.

Section 3. Apportionment

All expenses and claims and all estate, inheritance, and death taxes, excluding any generation-skipping transfer tax, resulting from my death and which are incurred as a result of property passing under the terms of my revocable living trust or through my probate estate shall be paid without apportionment and without reimbursement from any person. However, expenses and claims, and all estate, inheritance, and death taxes assessed with regard to property passing outside of my revocable living trust or outside of my probate estate, but included in my gross estate for federal estate tax purposes, shall be chargeable against the persons receiving such property.

JAC KB 

Article Five

Appointment of My Personal Representative

I appoint LOUISE M. CARLSON to be my personal representative.

If LOUISE M. CARLSON cannot act, or is unwilling to act, I appoint, in the order named, the following successor personal representatives:

1. WENDY LOUISE CARLSON
2. DEBRA LYNN SCHMIDT
3. CLEO JONES

I direct that my personal representatives not be required to furnish bond, surety, or other security.

I have initialed all of the pages of this Will, and have signed it on November 22, 1993.

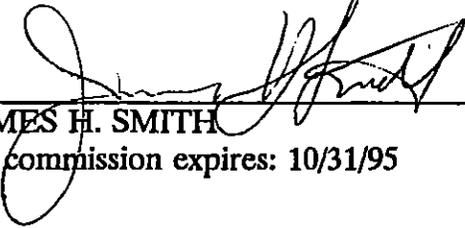

JOSEPH A. CARLSON

The foregoing Will was, on the day and year written above, published and declared by JOSEPH A. CARLSON in our presence to be his Will. We, in his presence and at his request, and in the presence of each other, have attested the same and have signed our names as attesting witnesses and have initialed each page.

We declare that at the time of our attestation of this Will, JOSEPH A. CARLSON was, according to our best knowledge and belief, of sound mind and memory and under no undue duress or constraint.

JAC KB DD

Subscribed and sworn before me by JOSEPH A. CARLSON, the Testator,
and by Kelly Balthrop and David W. Pierpont,
the witnesses, on November 22, 1993.



JAMES H. SMITH
My commission expires: 10/31/95



JAC KB DS

Last Will
of
LOUISE M. CARLSON

I, LOUISE M. CARLSON, of SPRINGFIELD, LANE County, Oregon, make this Will and revoke all of my prior wills and codicils.

Article One

My Family

I am married and my spouse's name is JOSEPH A. CARLSON.

All references to "my spouse" in my Will are to him.

The names and birth dates of my children are:

DEBRA LYNN SCHMIDT, born July 27, 1955

WENDY LOUISE CARLSON, born November 21, 1958

All references to my children in my will are to these children, as well as any children subsequently born to me, or legally adopted by me.

J.C. KB DL

Article Two

Distribution of My Property

Section 1. Pour-Over to My Living Trust

All of my property of whatever nature and kind, wherever situated, shall be distributed to my revocable living trust. The name of my trust is:

JOSEPH A. CARLSON and LOUISE M. CARLSON,
Trustees, or their successors in trust, under the CARLSON
LOVING® TRUST, dated November 22, 1993, and any
amendments thereto.

Section 2. Alternate Disposition

If my revocable living trust is not in effect at my death for any reason whatsoever, then all of my property shall be disposed of under the terms of my revocable living trust as if it were in full force and effect on the date of my death.

Article Three

Powers of My Personal Representative

My personal representative shall have the power to perform all acts reasonably necessary to administer my estate, as well as any powers set forth in the statutes in the State of Oregon relating to the powers of fiduciaries.

J.C. B 

Article Four
Payment of Expenses and Taxes
and Tax Elections

Section 1. Cooperating with the Trustee of My Living Trust

I direct my personal representative to consult with the Trustee of my revocable living trust to determine whether any expense or tax shall be paid from my trust or from my probate estate.

Section 2. Tax Elections

My personal representative, in its sole and absolute discretion, may exercise any available elections with regard to any state or federal tax laws.

My personal representative, in its sole and absolute discretion, may elect to have all, none, or part of the property comprising my estate for federal estate tax purposes qualify for the federal estate tax marital deduction as qualified terminable interest property under Section 2056(B)(7) of the Internal Revenue Code.

My personal representative shall not be liable to any person for decisions made in good faith under this Section.

Section 3. Apportionment

All expenses and claims and all estate, inheritance, and death taxes, excluding any generation-skipping transfer tax, resulting from my death and which are incurred as a result of property passing under the terms of my revocable living trust or through my probate estate shall be paid without apportionment and without reimbursement from any person. However, expenses and claims, and all estate, inheritance, and death taxes assessed with regard to property passing outside of my revocable living trust or outside of my probate estate, but included in my gross estate for federal estate tax purposes, shall be chargeable against the persons receiving such property.

S. C. AB 

Article Five

Appointment of My Personal Representative

I appoint JOSEPH A. CARLSON to be my personal representative.

If JOSEPH A. CARLSON cannot act, or is unwilling to act, I appoint, in the order named, the following successor personal representatives:

1. WENDY LOUISE CARLSON
2. DEBRA LYNN SCHMIDT
3. CLEO JONES

I direct that my personal representatives not be required to furnish bond, surety, or other security.

I have initialed all of the pages of this Will, and have signed it on November 22, 1993.

Louise M. Carlson
LOUISE M. CARLSON

The foregoing Will was, on the day and year written above, published and declared by LOUISE M. CARLSON in our presence to be her Will. We, in her presence and at her request, and in the presence of each other, have attested the same and have signed our names as attesting witnesses and have initialed each page.

We declare that at the time of our attestation of this Will, LOUISE M. CARLSON was, according to our best knowledge and belief, of sound mind and memory and under no undue duress or constraint.

J.C. KB 

Kelly Burt
WITNESS

Address:

44 Club Rd, Ste 305
Eugene, OR 97401

David W. Pierpoint
WITNESS

Address:

44 Club Rd, Suite 305
Eugene, OR 97401

STATE OF OREGON

COUNTY OF LANE

)
)
)
ss.

We, LOUISE M. CARLSON, Kelly BALTROG
and David W. Pierpoint, the Testatrix and the
witnesses, respectively, whose names are signed to the foregoing Will, having
been sworn, declared to the undersigned officer that the Testatrix, in the
presence of witnesses, signed the instrument as her last Will, that she signed,
and that each of the witnesses, in the presence of the Testatrix and in the
presence of each other, signed the Will as a witness.

Louise M. Carlson
LOUISE M. CARLSON

Kelly Burt
WITNESS

David W. Pierpoint
WITNESS

L.C. AB

APPRAISAL REPORT

of

Single Family Residence at

37408 Parsons Creek Road

Springfield, OR 97478

As Of:

8/12/05

Prepared For:

CARLSON, Louise M.
37408 Parsons Creek Road
Springfield, OR 97478

Prepared By:

Appraisal Concepts Team
1401 Lorane Highway
Eugene, OR 97405

Appraisal Concepts Team
1401 Lorane Highway
Eugene, OR 97405

9/12/05

CARLSON, Louise M.
37408 Parsons Creek Road
Springfield, OR 97478

RE: CARLSON, Louise M.
37408 Parsons Creek Road
Springfield, OR 97478
File No. 5476
Case No.

Dear CARLSON, Louise M.

In accordance with your request, I have personally inspected and prepared an appraisal report of the real property located at:

37408 Parsons Creek Road, Springfield, OR 97478

The purpose of this appraisal is to estimate the market value of the property described in the body of this appraisal report.

Enclosed, please find the appraisal report which describes certain data gathered during our investigation of the property. The methods of approach and reasoning in the valuation of the various physical and economic factors of the subject property are contained in this report.

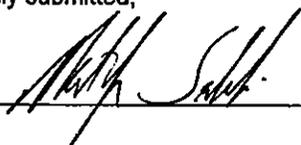
An inspection of the property and a study of pertinent factors, including valuation trends and an analysis of neighborhood data, led the appraiser to the conclusion that the market value, as of 8/12/05 is:

\$ 360,000

The opinion of value expressed in this report is contingent upon the limiting conditions attached to this report.

It has been a pleasure to assist you. If I may be of further service to you in the future, please let me know.

Respectfully submitted,

Signature: 

Mustafa Salehi

Property Description

UNIFORM RESIDENTIAL APPRAISAL REPORT

Case No.

Property Address	37408 Parsons Creek Road	City	Springfield	State	OR	Zip Code	97478
Legal Description	Metes & Bounds (See Legal Description)						
Assessor's Parcel No.	T.L. 01304 Acct. #0034379	Tax Year	04/05	R.E. Taxes \$	1,743.36	Special Assessments \$	None
Borrower	CARLSON, Louise M.	Current Owner	CARLSON, Louise M.	Occupant	<input checked="" type="checkbox"/> Owner	<input type="checkbox"/> Tenant	<input type="checkbox"/> Vacant
Property rights appraised	<input checked="" type="checkbox"/> Fee Simple	<input type="checkbox"/> Leasehold	Project Type	<input type="checkbox"/> PUD	<input type="checkbox"/> Condominium (HUD/VA only)	HOA\$	N/A /Mo.
Neighborhood or Project Name	Mohawk Valley		Map Reference	16-02-14-00		Census Tract	0002.00
Sale Price \$	N/A	Date of Sale	N/A	Description and \$ amount of loan charges/concessions to be paid by seller			N/A
Lender/Client	CARLSON, Louise M. Address 37408 Parsons Creek Road, Springfield, OR 97478						
Appraiser	Mustafa Salehi Address 3003 W. 11th Avenue, PMB 163, Eugene, OR 97402						

Location	<input type="checkbox"/> Urban	<input checked="" type="checkbox"/> Suburban	<input type="checkbox"/> Rural	Predominant occupancy	Single family housing	Present land use %	Land use change
Built up	<input type="checkbox"/> Over 75%	<input checked="" type="checkbox"/> 25-75%	<input type="checkbox"/> Under 25%	<input checked="" type="checkbox"/> Owner 95%	PRICE \$ (000) 100 Low New	One family 70	<input checked="" type="checkbox"/> Not likely <input type="checkbox"/> Likely
Growth rate	<input type="checkbox"/> Rapid	<input checked="" type="checkbox"/> Stable	<input type="checkbox"/> Slow	<input checked="" type="checkbox"/> Tenant 5%	AGE (yrs) 900+ High 60+	2-4 family	<input type="checkbox"/> In process
Property values	<input checked="" type="checkbox"/> Increasing	<input type="checkbox"/> Stable	<input type="checkbox"/> Declining	<input checked="" type="checkbox"/> Vacant (0-5%)	<input checked="" type="checkbox"/> Predominant	Multi-family	To:
Demand/supply	<input checked="" type="checkbox"/> Shortage	<input type="checkbox"/> In balance	<input type="checkbox"/> Over supply	<input type="checkbox"/> Vacant (over 5%)	150-375 25-45	Commercial	
Marketing time	<input type="checkbox"/> Under 3 mos.	<input checked="" type="checkbox"/> 3-6 mos.	<input type="checkbox"/> Over 6 mos.			Fm/Frst 30	

Note: race and the racial composition of the neighborhood are not appraisal factors.

Neighborhood boundaries and characteristics: Neighborhood boundaries consist of all unincorporated areas along and in close proximity of Marcola Road, Camp Creek Road, and within relatively comparable proximity to Springfield city limits to the southwest.

Factors that affect the marketability of the properties in the neighborhood (proximity to employment and amenities, employment stability, appeal to market, etc.): A diverse mix of average to excellent quality homes exists in the subject's neighborhood. The subject property is located in a suburban residential neighborhood approximately 8 miles northeast of Springfield city limits and 10 miles from its downtown. Most residences are on small to medium acreage parcels with either existing or potential hobby farm utility in some cases. Homes in the neighborhood display a variety of age, size, design, quality and level of upkeep. Proximity and access to schools, city services, and shopping is adequate. (See Addendum #1)

Market conditions in the subject neighborhood (including support for the above conclusions related to the trend of property values, demand/supply, and marketing time -- such as data on competitive properties for sale in the neighborhood, description of the prevalence of sales and financing concessions, etc.): There is steady demand for properties in this neighborhood and values have increased steadily over the last decade. At present, values are increasing. Rentals rates are currently stable. Properties typically sell at or near listing price and Multiple Listing Service data indicates a predominant marketing time of under 4 months. It is not uncommon for seller to pay FHA & VA points or to contribute towards the buyers' closing costs on conventional loans, with no other concessions or buydowns typical. Typical financing in the area is new conventional loans. Currently, the interest rates are at or close to a 40-year low.

Project Information for PUDs (If applicable -- Is the developer/builder in control of the Home Owner's Association (HOA)? Yes No)

Approximate total number of units in the subject project: N/A Approximate total number of units for sale in the subject project: N/A

Describe common elements and recreational facilities: N/A

Dimensions	Hypothetical Appraisal of 6 acres actual site is 19.62 acres per Lane County			Topography	Level to gently sloping	
Site area	6.00 Acres (Hypothetical)			Size	Larger than average	
Specific zoning classification and description	F2-Impacted Forest Land			Shape	Mostly Rectangular	
Zoning compliance:	<input checked="" type="checkbox"/> Legal	<input type="checkbox"/> Legal nonconforming (Grandfathered use)	<input type="checkbox"/> Illegal	Drainage	Appears Adequate	
Highest & best use as improved:	<input checked="" type="checkbox"/> Present use	<input type="checkbox"/> Other use (explain)		View	Territorial	
Utilities	Public	Other	Off-site Improvements	Type	Public	Private
Electricity	<input checked="" type="checkbox"/>		Street	Asphalt	<input checked="" type="checkbox"/>	
Gas			Curb/gutter	None (Typical)		
Water		Private Well	Sidewalk	None (Typical)		
Sanitary sewer		Septic Tank	Street lights	None (Typical)		
Storm sewer			Alley	None		
Comments (apparent adverse easements, encroachments, special assessments, slide areas, illegal or legal nonconforming zoning use, etc.):				(See Addendum #2)		

Comments (apparent adverse easements, encroachments, special assessments, slide areas, illegal or legal nonconforming zoning use, etc.): (See Addendum #2)

GENERAL DESCRIPTION	No. of Units	1	EXTERIOR DESCRIPTION	Foundation	Concrete	FOUNDATION	Slab	No	BASEMENT	Area Sq. Ft.	0	INSULATION	Roof				
	No. of Stories	1		Exterior Walls	Bat & Brd		Crawl Space	Yes		% Finished	N/A		Ceiling	Assum'd	<input checked="" type="checkbox"/>		
	Type (Det./Att.)	Detached		Roof Surfaces	Comp.Shingle		Basement	None		Ceiling	N/A		Walls	Assum'd	<input checked="" type="checkbox"/>		
	Design (Style)	1 Story		Gutters & Dwnspts.	Metal		Sump Pump	None		Walls	N/A		Floor	Assum'd	<input checked="" type="checkbox"/>		
	Existing/Proposed	Existing		Window Type	Vinyl Slider		Dampness	None Noted		Floor	N/A		None				
	Age (Yrs.)	44		Storm/Screens	Yes/Yes		Settlement	None Noted		Outside Entry	N/A		Unknown				
	Effective Age (Yrs.)	20		Manufactured House	No		Infestation	None Noted					Double Pane Windows				
	ROOMS	Foyer		Living	Dining		Kitchen	Den		Family Rm.	Rec. Rm.		Bedrooms	# Baths	Laundry	Other	Area Sq. Ft.
	Basement																0
	Level 1			1	Area		1				1		3	2.00	Room		2,285
Level 2												0					

DESCRIPTION OF IMPROVEMENTS	Finished area above grade contains:	6 Rooms;	3 Bedroom(s);	2.00 Bath(s);	2,285 Square Feet of Gross Living Area					
	INTERIOR	Materials/Condition	HEATING	KITCHEN EQUIP.	ATTIC	AMENITIES	CAR STORAGE			
	Floors	Carpet, Vinyl/Avg+	Type	BB, Zonal	Refrigerator	None	Fireplace(s) #	1	None	<input type="checkbox"/>
	Walls	Drywall/Avg	Fuel	Elec.	Range/Oven	<input checked="" type="checkbox"/>	Stairs		Garage	# of cars
	Trim/Finish	Wood/Avg	Condition	Avg	Disposal		Drop Stair		Attached	2 (OS)
	Bath Floor	Vinyl/Avg	COOLING		Dishwasher	<input checked="" type="checkbox"/>	Scuttle	<input checked="" type="checkbox"/>	Detached	
	Bath Wainscot	Fiberglass/Avg	Central	No	Fan/Hood	<input checked="" type="checkbox"/>	Floor		Built-In	
	Doors	Hollow Core/Avg	Other	None	Microwave	<input checked="" type="checkbox"/>	Heated		Carport	
			Condition	N/A	Washer/Dryer		Finished		Driveway	Gravel

Additional features (special energy efficient items, etc.): Double pane windows; raised brick hearth fireplace; free-standing wood stove; deck; patio; inside utility; master suite; 20' x 30' shop with 15' x 20' RV port and a lean-to storages; (See Addendum #3)

Condition of the improvements, depreciation (physical, functional, and external), repairs needed, quality of construction, remodeling/additions, etc.: The subject is a periodically updated and well maintained 44 year old, and effectively 20 year old, average quality home that was in average condition at the time of inspection. It is served by 3 bedrooms and 2 bathrooms. The kitchen has adequate amount of cabinet, countertop space, and modern appliances. (See Addendum #4)

Adverse environmental conditions (such as, but not limited to, hazardous wastes, toxic substances, etc.) present in the improvements, on the site, or in the immediate vicinity of the subject property.: The Appraiser is not an expert in environmental hazards. However, no adverse environmental conditions or hazards were known or observed as of the date of inspection.

UNIFORM RESIDENTIAL APPRAISAL REPORT

COST APPROACH

ESTIMATED SITE VALUE	= \$	175,000
ESTIMATED REPRODUCTION COST-NEW-OF IMPROVEMENTS:		
Dwelling 2,285 Sq. Ft. @ \$ 80.00	= \$	182,800
Sq. Ft. @ \$	=	
Appli.,FP,Porch,Deck,Shp,Shed,Barn,Fnc.	=	16,000
Garage/Carport 690 Sq. Ft. @ \$ 25.00	=	17,250
Total Estimated Cost New	= \$	216,050
Less Physical 18		
Depreciation 38,889		0
Functional		0
External		0
Depreciated Value of Improvements	= \$	38,889
As is Value of Site Improvements	= \$	177,161
INDICATED VALUE BY COST APPROACH	= \$	16,000
		368,161

Comments on Cost Approach (such as, source of cost estimate, site value, square foot calculation and for HUD, VA and FmHA, the estimated remaining economic life of the property): **Site value is based on comparable land sales in the subject's market area and extraction analysis. Physical depreciation is based on standard 70 year age/life tables and adjusted for local market and observed conditions. Replacement costs are derived from Marshall & Swift cost handbook and local building costs. Physical loss is placed at 18% of the value of improvements. No functional or external obsolescence was noted.**

Est. Remaining Econ. Life: _____ yrs

SALES COMPARISON ANALYSIS

ITEM	SUBJECT	COMPARABLE NO. 1	COMPARABLE NO. 2	COMPARABLE NO. 3
Address	37408 Parsons Creek Road Springfield, OR 97478	37137 Parsons Creek Springfield, OR 97478	89093 Marcola Road Springfield, OR 97478	91096 Hill Road Springfield, OR 97478
Proximity to Subject		0.57 miles	7.38 miles	3.00 miles
Sales Price	\$ N/A	\$ 360,000	\$ 410,000	\$ 339,900
Price/Gross Liv. Area	\$ 0.00	\$ 148.03	\$ 177.03	\$ 149.08
Data and/or Verification Source	Inspection County Records	Coldwell Banker CIR RMLS 4041465	Coldwell Banker CIR MLS #4016856	Re/Max Integrity RMLS 5006129
VALUE ADJUSTMENTS	DESCRIPTION	DESCRIPTION +/- \$ Adjustment	DESCRIPTION +/- \$ Adjustment	DESCRIPTION +/- \$ Adjustment
Sales or Financing Concessions		Conventional None	Conventional None	Conventional None
Date of Sale/Time		1/05 DOM 189	1/05 DOM 274	4/05 DOM 41
Location	Average	Average	Superior -10,000	Average
Leasehold/ Fee Simple	Fee Simple	Fee Simple	Fee Simple	Fee Simple
Site	6.00 Acres	6.42 Acres -3,400	7.91 Acres -15,300	1.8 Acres +33,600
View	Hills	Creek	Hills	Hills
Design and Appeal	1 Story	1 Story	1 Story	2 Story
Quality of Construction	Average	Average	Average	Average
Age	44	27	26	40
Condition	Average	Average	Average	Average
Above Grade	Total Bdrms Baths	Total Bdrms Baths	Total Bdrms Baths	Total Bdrms Baths
Room Count	6 3 2.00	7 4 2.00	6 3 2.00	6 3 2.00
Gross Living Area	2,285 Sq. Ft.	2,432 Sq. Ft. -4,000	2,316 Sq. Ft.	2,280 Sq. Ft.
Basement & Finished Rooms Below Grade	None	None	None	None
Functional Utility	Average	Average	Average	Average
Heating/Cooling	BB,Zonal/None	FA/HP -4,000	FA/HP -4,000	FA/HP -4,000
Energy Efficient Items	DPW	DPW	DPW	DPW
Garage/Carport	2 Car Grg(OS)/ RV Por	2 Car Garage +2,000	2 Car Garage +2,000	2 Car Garage +2,000
Porch, Patio, Deck, Fireplace(s), etc.	Deck, Patio 1 Fireplace	Deck 1 Fireplace +500	Porch,CovPorch 1 Fireplace	Deck,CvPto 2 Fireplaces -1,000
Fence, Pool, etc.	Fnc,LS,UGS	Fence,LS +1,000	Fnc,LS +1,000	Fence, LS +1,000
Outbuilding	600SFSShop,Lean-To	Shop,Barn -4,000	3 Shops,Barn -12,000	Barn,Shop -4,000
Net Adj. (total)		+ X - \$ -11,900	+ X - \$ -38,300	X + - \$ 27,600
Adjusted Sales Price of Comparable		Net=-3% Gross=5% \$ 348,100	Net=-9% Gross=11% \$ 371,700	Net=8% Gross=13% \$ 367,500

Comments on Sales Comparison (including the subject property's compatibility to the neighborhood, etc.): **The subject dwelling is typical of homes in the market area. The comparable sales included are the most similar and recently closed sales of properties available within the subject' market area at this time. Gross living area adjustments are computed at \$27 per square foot. Site adjustments are computed at \$8,000 per acre. Condition adjustments are for effective age only, which more accurately reflects market reaction to properties based on respective levels of actual age, maintenance and updating. Each sale has been verbally confirmed with the noted agencies and drive-by inspections.(See Addendum #5)**

RECONCILIATION

ITEM	SUBJECT	COMPARABLE NO. 1	COMPARABLE NO. 2	COMPARABLE NO. 3
Date, Price and Data Source, for prior sales within year of appraisal	None within 3 years County Records	None within 1 year County Records	None within 1 year County Records	None within 1 year County Records

Analysis of any current agreement of sale, option, or listing of the subject property and analysis of any prior sales of subject and comparables within one year of the date of appraisal. **No current sale agreement noted. Per MLS data and latest deed available to the appraiser, the subject has not been listed or sold within the last 3 years.**

INDICATED VALUE BY SALES COMPARISON APPROACH \$ 360,000

INDICATED VALUE BY INCOME APPROACH (If Applicable) Estimated Market Rent \$ N/A /Mo.x Gross Rent Multiplier N/A = \$ N/A

This appraisal is made "as is" subject to the repairs, alterations, inspections or conditions listed below subject to completion per plans and specifications.

Conditions of Appraisal: **This appraisal is subject to attached appraiser's assumptions, certification, and limiting conditions.**

Final Reconciliation: **The sales comparison approach provides best evidence of the market value. The cost approach is secondary, and is dependent on the accuracy of national cost reporting services and estimates of accrued depreciation. The income approach does not reflect purchaser's typical actions for this specific property and was not requested from the client.**

The purpose of this appraisal is to estimate the market value of the real property that is subject to this report, based on the above conditions and the certification, contingent and limiting conditions, and market value definition that are stated in the attached Freddie Mac Form 439/Fannie Mae Form 1004B (Revised 6/93).

I (WE) ESTIMATE THE MARKET VALUE, AS DEFINED, OF THE REAL PROPERTY THAT IS THE SUBJECT OF THIS REPORT, AS OF 8/12/05 (WHICH IS THE DATE OF INSPECTION AND THE EFFECTIVE DATE OF THIS REPORT) TO BE \$ 360,000

APPRaiser: *Mustafa Salehi* Signature: _____ Name: Mustafa Salehi Date Report Signed: 9/12/05 State Certification #: CR00264 State: OR

SUPERVISORY APPRAISER (ONLY IF REQUIRED): Signature: _____ Name: _____ Date Report Signed: _____ State Certification #: _____ State: _____

Did Did Not Inspect Property

Appraisal Concepts Team
EXTRA COMPARABLES 4-5-6

File No. 5476
Case No.

Borrower **CARLSON, Louise M.**
 Property Address **37408 Parsons Creek Road**
 City **Springfield** County Lane State **OR** Zip Code **97478**
 Lender/Client **CARLSON, Louise M.** Address **37408 Parsons Creek Road, Springfield, OR 97478**

These recent sales of properties are most similar and proximate to subject and have been considered in the market analysis. The description includes a dollar adjustment, reflecting market reaction to those items of significant variation between the subject and comparable properties. If a significant item in the comparable property is superior to, or more favorable than, the subject property, a minus (-) adjustment is made, thus reducing the indicated value of subject; if a significant item in the comparable is inferior to, or less favorable than, the subject property, a plus (+) adjustment is made, thus increasing the indicated value of the subject.

SALES COMPARISON ANALYSIS

ITEM	SUBJECT	COMPARABLE NO. 4			COMPARABLE NO. 5			COMPARABLE NO. 6		
Address	37408 Parsons Creek Road Springfield, OR 97478	37116 Boiler Creek Road Springfield, OR 97478			39107 Hileman Marcola, OR 97454			38446 Wendling Road Marcola, OR 97454		
Proximity to Subject		1.49 miles			3.52 miles			2.10 miles		
Sales Price	\$ N/A	\$ 345,000			\$ 357,000			\$ 335,000		
Price/Gross Liv. Area	\$ 0.00	\$ 138.72			\$ 172.63			\$ 152.27		
Data and/or Verification Source	Inspection County Records	Barnhart Associates Real Estate RMLS 4042304			Barnhart Associates Real Estate RMLS 4021253			Re/Max Integrity MLS 4075873		
VALUE ADJUSTMENTS	DESCRIPTION	DESCRIPTION	+(-)\$ Adjustment	DESCRIPTION	+(-)\$ Adjustment	DESCRIPTION	+(-)\$ Adjustment	DESCRIPTION	+(-)\$ Adjustment	
Sales or Financing Concessions		Conventional None		Conventional None		Conventional None		Conventional None		
Date of Sale/Time		11/04 DOM 102		9/04 DOM 123		7/05 DOM 184				
Location	Average	Average		Inferior	+10,000	Average				
Leasehold/ Fee Simple	Fee Simple	Fee Simple		Fee Simple		Fee Simple				
Site	6.00 Acres	3.92 Acres	+16,640	4.72 Acres	+10,240	8.5 Acres	-20,000			
View	Hills	Hills		Creek		Territorial	+5,000			
Design and Appeal	1 Story	1.5 Story		1.5 Story		1.5 Story				
Quality of Construction	Average	Average		Average		Average				
Age	44	27		25		89/Updated				
Condition	Average	Average		Average		Inferior	+6,000			
Above Grade	Total Bdrms Baths	Total Bdrms Baths		Total Bdrms Baths		Total Bdrms Baths				
Room Count	6 3 2.00	7 4 3.00	-3,000	7 4 3.50	-4,500	7 4 3.00	-3,000			
Gross Living Area	2,285 Sq. Ft.	2,487 Sq. Ft.	-5,454	2,068 Sq. Ft.	+5,859	2,200 Sq. Ft.	+2,300			
Basement & Finished Rooms Below Grade	None None	None None		None None		None None				
Functional Utility	Average	Average		Average		Average				
Heating/Cooling	BB,Zonal/None	FA/None	-3,000	FA/None	-3,000	FA/HP	-4,000			
Energy Efficient Items	DPW	DPW		DPW		DPW				
Garage/Carport	2 Car Grg(OS)/ RV Port	None	+7,000	2 Car Garage	+2,000	None	+7,000			
Porch, Patio, Deck, Fireplace(s), etc.	Deck, Patio 1 Fireplace	ExtDecking 2 Pellet Stoves	-1,000	CvPto,ExtDck 1 Fireplace	-2,000	Deck,Tool Shed 1 Pellet Stove				
Fence, Pool, etc.	Fnc,LS,UGS	Fence,LS	+1,000	Fence,LS	+1,000	Fnc,LS,GmHse,H.Tub	-1,500			
Outbuilding	600SFShop,Lean-To	900SF Guest House	-5,000	1368 SF Barn	-4,000	1,728SF Shop	-5,000			
Net Adj. (total)		X + - \$ 7,186		X + - \$ 15,599		+ X - \$ -13,200				
Adjusted Sales Price of Comparable		Net=-2% Gross=-12% \$ 352,186		Net=-4% Gross=-12% \$ 372,599		Net=-4% Gross=-16% \$ 321,800				

Comments on Comparables:

COMMENTS

ITEM	SUBJECT	COMPARABLE NO. 4	COMPARABLE NO. 5	COMPARABLE NO. 6
Date, Price and Data Source, for prior sales within year of appraisal.	None within 3 years County Records	None within 1 year County Records	None within 1 year County Records	None within 1 year County Records

Appraisal Concepts Team
COMMENT ADDENDUM

File No. 5476
Case No.

Borrower **CARLSON, Louise M.**

Property Address **37408 Parsons Creek Road**

City **Springfield** County Lane State **OR** Zip Code **97478**

Lender/Client **CARLSON, Louise M.** Address **37408 Parsons Creek Road, Springfield, OR 97478**

This is a hypothetical appraisal valuing the improvements and six acres immediately surrounding these improvement.

Addendum #1

An overall average level of appearance and maintenance is exhibited in th subject's immediate neighborhood. No adverse neighborhood influences affecting the subject's marketability were noted. The subject neighborhood has above average market appeal due to demand for suburban/rural properties in relatively close proximity to Springfield/Eugene metro area. Proximity to employment is average for the area. At present employment stability is rated average overall.

Eugene/Springfield area is the third largest metro area in Oregon. Eugene is the seat of Lane County government, location of Federal Courthouse, and the home of the University of Oregon. The two large hospitals in the area, Peach Health/Sacred Heart and McKenzie Willamette/Triad, are currently undergoing major expansions. The Federal Government is also in the process of moving and greatly expanding the Federal Courthouse facilities. Eugene 4-J School District and Bethel School District have both recently passed major bond measures calling for several new schools to be built and most of the others to be updated and retrofitted for technology. This is providing a great number of jobs for the construction sector of the local economy. In general the local and regional economies have undergone transformation from dependence on agriculture and timber production, towards the service and high technology sectors. There are no adverse factors affecting the marketability of the subject property. Eugene is the seat of Lane County government, location of the federal courthouse, and the home of the University of Oregon. The local and regional economies have both undergone a transformation from dependence on agriculture and timber production, towards the service and high technology sector.

Addendum #2

Appraisal of improvemetns and hypothetical 6 acres. Actual site is 19.62 acres. The subject has a level to gently sloping site consisting of 6 acres. It has frontage on Parsons Creek Road. Normal residential utility easements are assumed. Drainage appears adequate. The highest and best use of the subject site is as location of single family residence. This conclusion is supported by current ground zoning, the use of similarly-zoned adjacent parcel, local demand for residential sites, and substantial contribution of current improvements to total value. The subject site utilizes private well and septic system, both of which are assumed to function properly, provide adequate services for residence, and with located with confines of the subject site. Site boundaries were not marked, however, no adverse easements or encroachments were noted.

Addendum #3

bay window and a soaking tub with tile deck in master bathroom; skylight; landscaping; fence and x-fenced; oversized 2-car garage.

Addendum #4

The bedrooms are of adequate size with sufficient closet space provided. The floorplan has adequate utility for homes of this age, size, and price range in this market, with satisfactory separation of private, social, and work zones. No deferred maintenance was noted. No functional or external obsolescence was noted. The subject property should have average marketability.

Addendum #5

MLS and appraiser photos are used depending on access to the comparable properties and/or which turned out better.

Sale 1 is superior in location with closer proximity to Springfield, while sale 5 is inferior with further proximity. The subject is superior to sales 3, 4, and 5 in siste size, while inferior to sales 1, 2, and 7. Sale 6 is inferior in view. Sales 1 and 4 are superior in gross living ara, while sales 5 and 6 are inferior. All sales are superior in heating and/or cooling and inferior in car storage. The balance of adjustments pertaing to physical/external amenities and outbuildings, and are straightforward. Despite multiple adjustments, the preferred one line (10%), net (15%), and gross (25%) adjustments were not exceeded.

No single sale is judged to be in and of itself an overwhelming indicator of value. Based on comparables presented, which constitutes the most pertinent market evidence of the subject's market value, a final conclusion of \$360,000 is bracketed, reasonably supported, and estimates an exposure time in market for the subject of 152 days. The estimated exposure time in market is derived from the comparable sales utilized in this appraisal. No personal property was included in the estimation of value.

Intended use: This appraisal is for use by the above noted client for personal purposes.

Appraisal Concepts Team
COMMENT ADDENDUM

File No. 5476
Case No.

Borrower CARLSON, Louise M.

Property Address 37408 Parsons Creek Road

City Springfield County _____ Lane _____ State OR Zip Code 97478

Lender/Client CARLSON, Louise M. Address 37408 Parsons Creek Road, Springfield, OR 97478

1. As indicated in this appraisal, the subject improvements with 6 acres appraised for \$360,000.
 2. If the property owner's remaining 13.5 acres were split up according to her wishes, the following is what such comparable parcel of land are selling for in the subject's market area:
 - a. 2.5 acres parcel \$130,000 x 4 = \$520,000
 - b. 3.5 acres parcel \$155,000
- Total compensation: \$1,035,000

Appraisal Concepts Team
SKETCH ADDENDUM

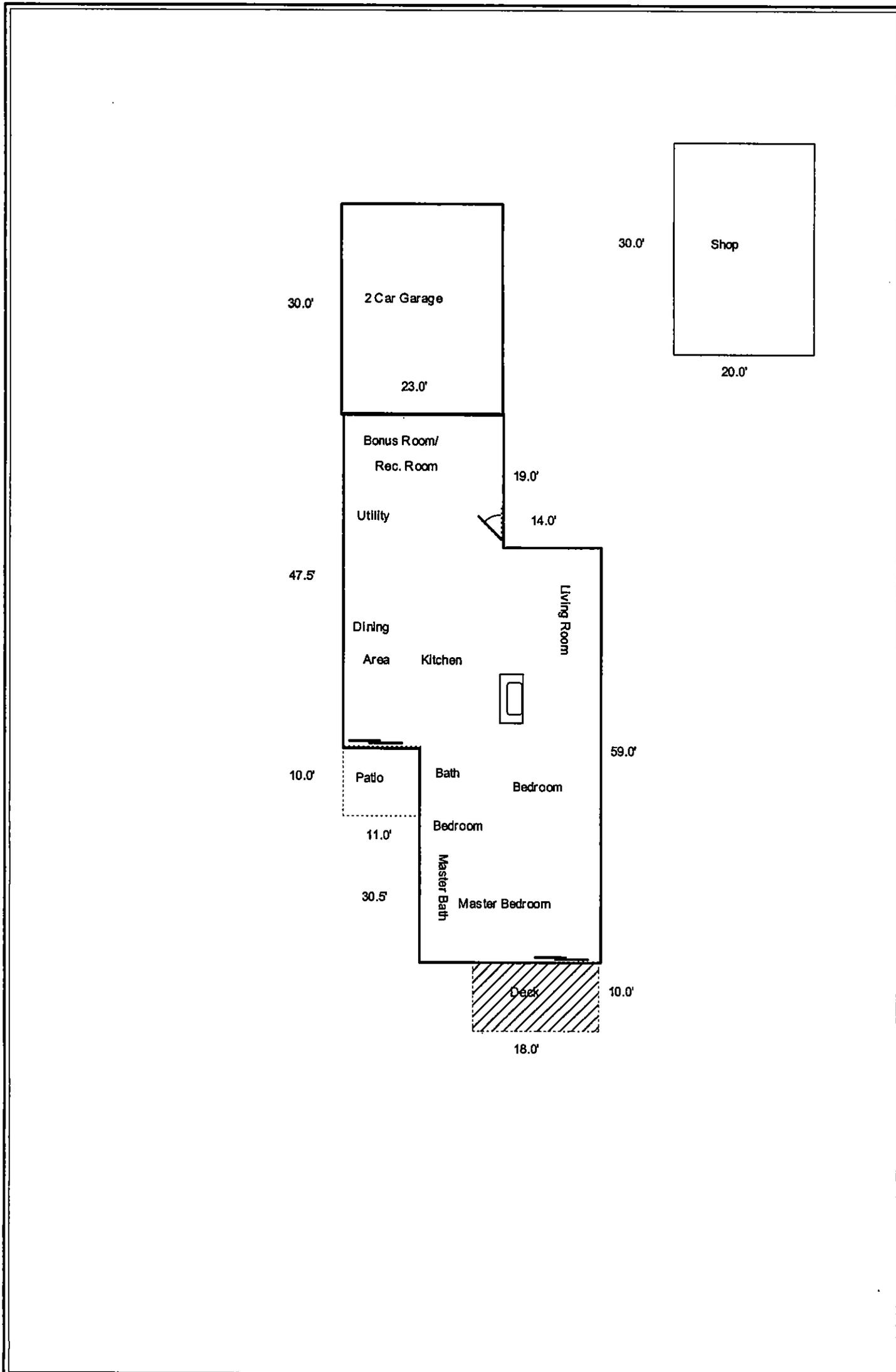
File No. 5476
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Lender/Client **CARLSON, Louise M.** Address **37408 Parsons Creek Road, Springfield, OR 97478**



Appraisal Concepts Team
SKETCH ADDENDUM

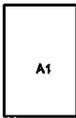
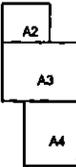
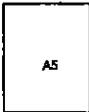
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SKETCH CALCULATIONS		Perimeter	Area
	A1 : 20.0 x 30.0 =		600.0
	Shop		600.0
	A2 : 23.0 x 19.0 = A3 : 37.0 x 28.5 = A4 : 26.0 x 30.5 =		437.0 1054.5 793.0
	First Floor		2284.5
	Total Living Area		2284.5
	A5 : 23.0 x 30.0 =		690.0
	Attached Garage		690.0
	A6 : 18.0 x 10.0 =		180.0
	Deck		180.0
	A7 : 11.0 x 10.0 =		110.0
	Patio		110.0
	Total Patio/Deck Area		290.0

Appraisal Concepts Team
LOCATION MAP ADDENDUM

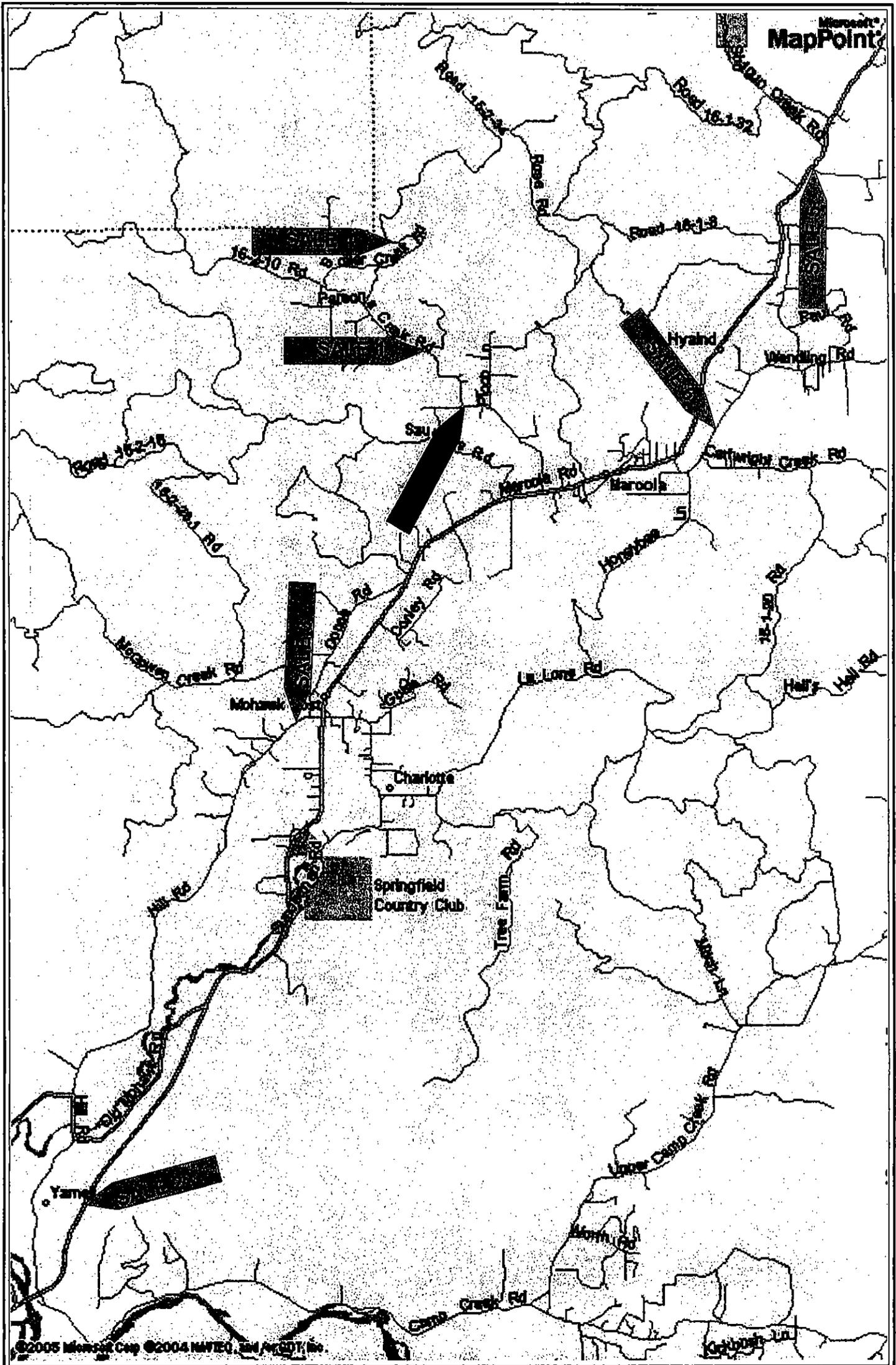
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Lender/Client CARLSON, Louise M. Address 37408 Parsons Creek Road, Springfield, OR 97478



Appraisal Concepts Team
SUBJECT PHOTO ADDENDUM

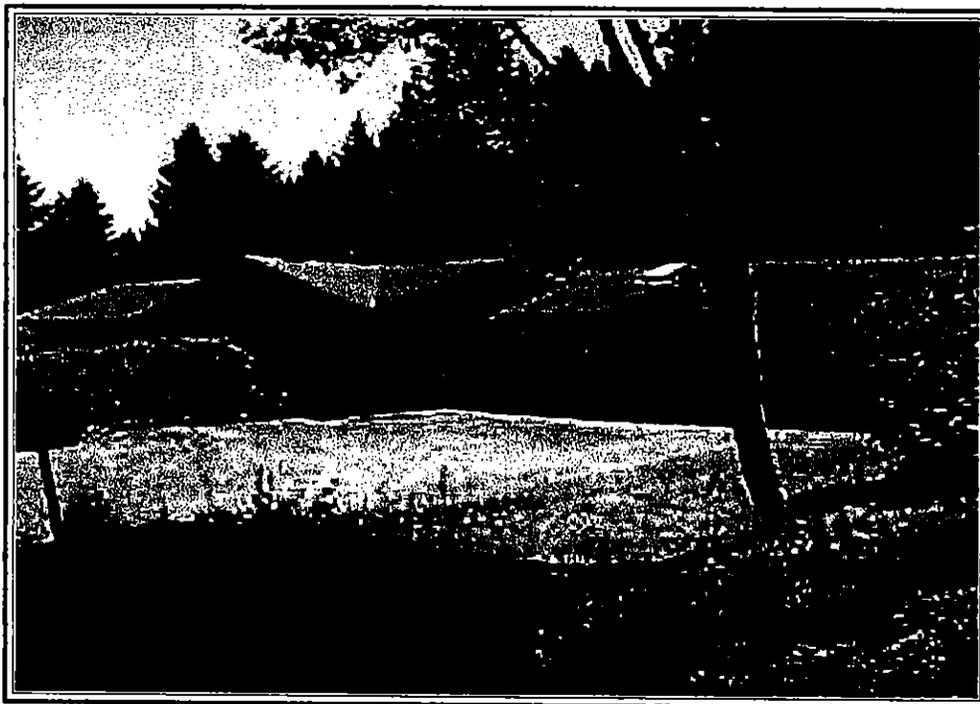
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Lender/Client **CARLSON, Louise M.** Address **37408 Parsons Creek Road, Springfield, OR 97478**



**FRONT OF
SUBJECT PROPERTY**
37408 Parsons Creek Road
Springfield, OR 97478



**REAR OF
SUBJECT PROPERTY**



STREET SCENE

Appraisal Concepts Team
SUBJECT PHOTO ADDENDUM

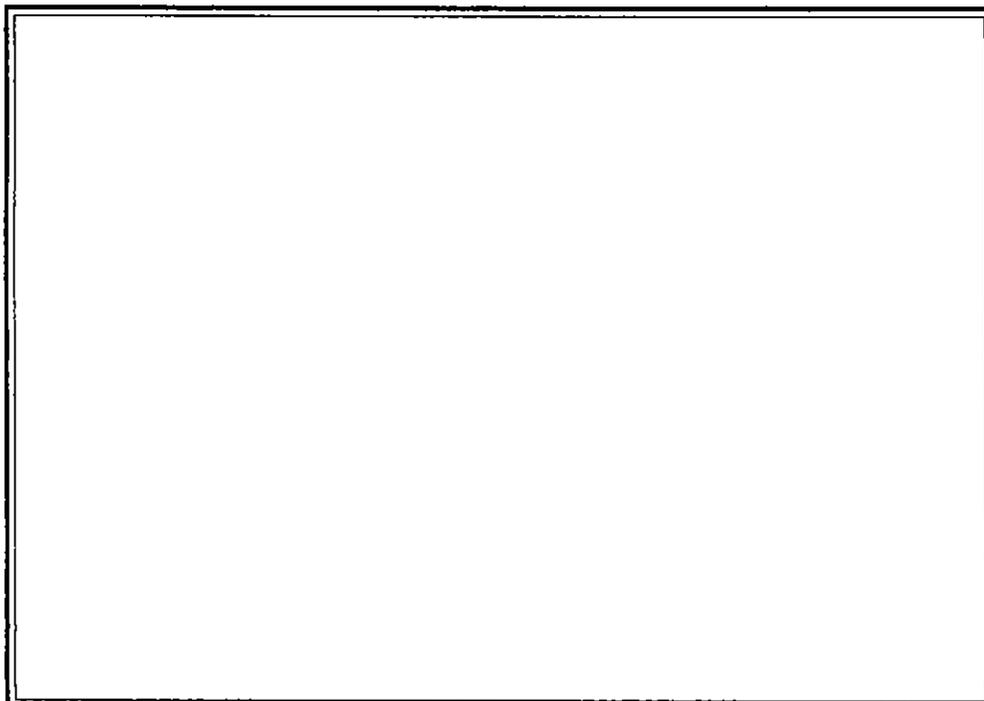
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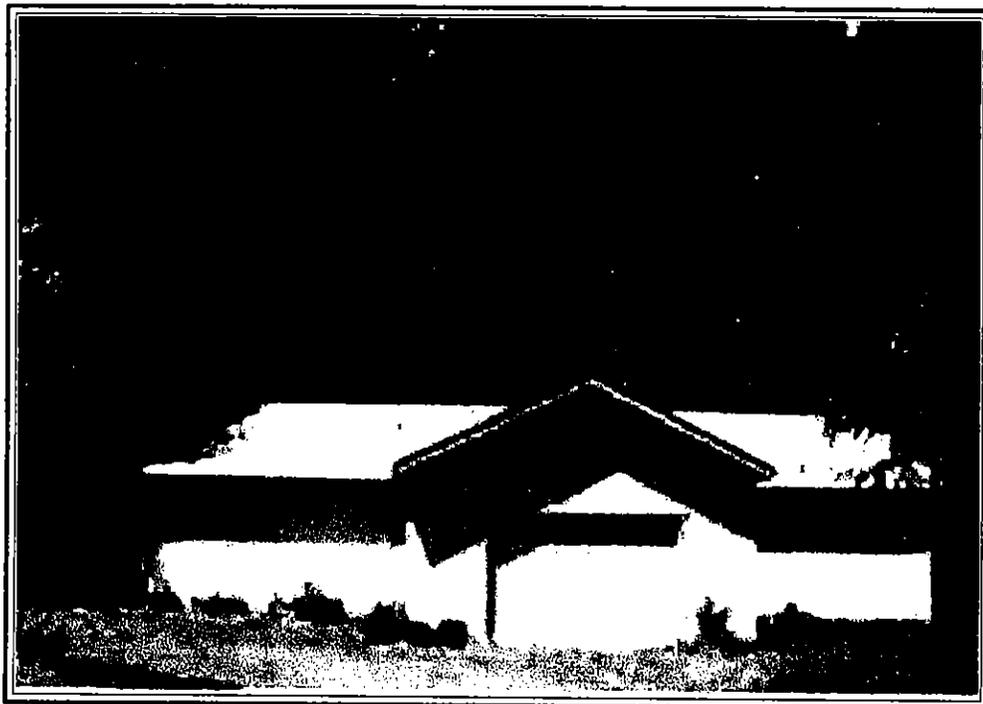


Borrower **CARLSON, Louise M.**

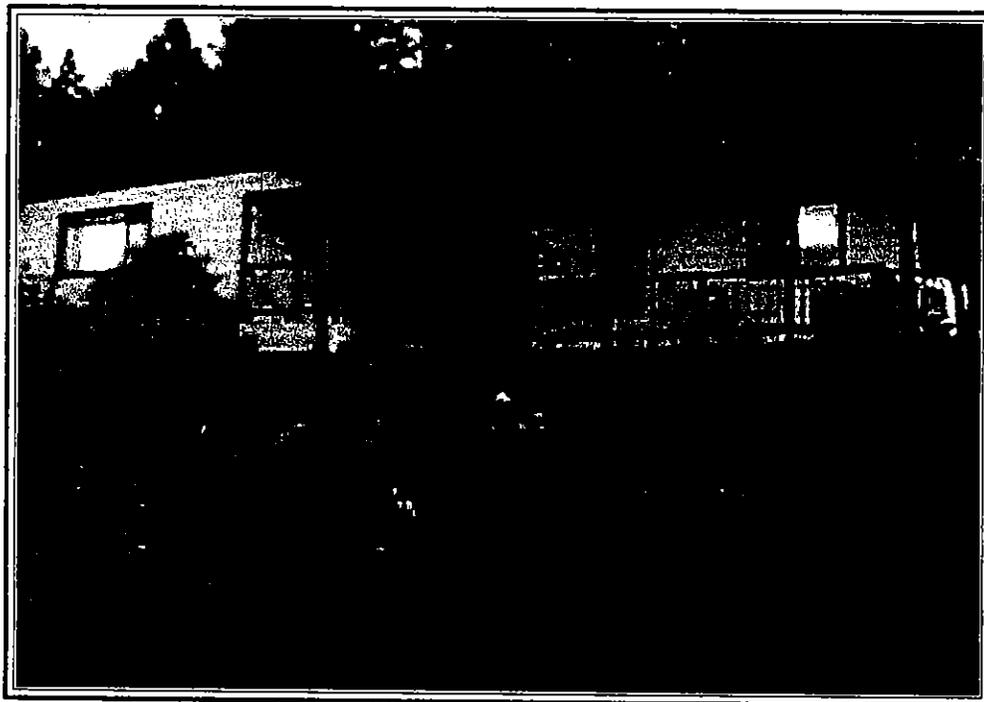
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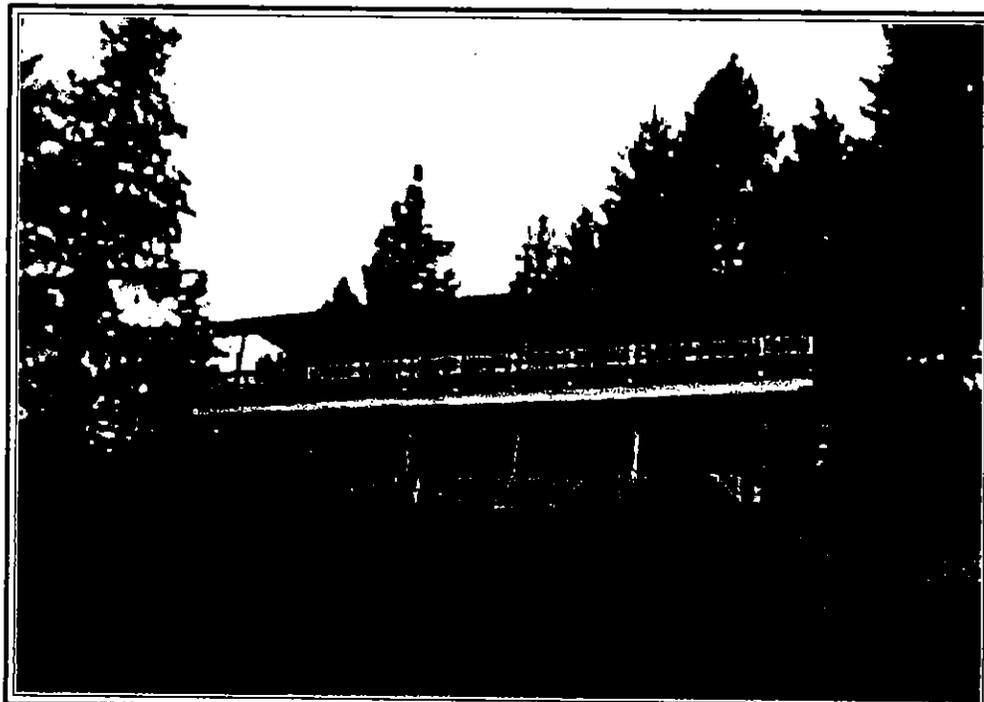
Lender/Client **CARLSON, Louise M.** Address **37408 Parsons Creek Road, Springfield, OR 97478**



COMPARABLE SALE # 1
37137 Parsons Creek
Springfield, OR 97478



COMPARABLE SALE # 2
89093 Marcola Road
Springfield, OR 97478



COMPARABLE SALE # 3
91096 Hill Road
Springfield, OR 97478

Borrower **CARLSON, Louise M.**

Property Address **37408 Parsons Creek Road**

City **Springfield** County Lane State **OR** Zip Code **97478**

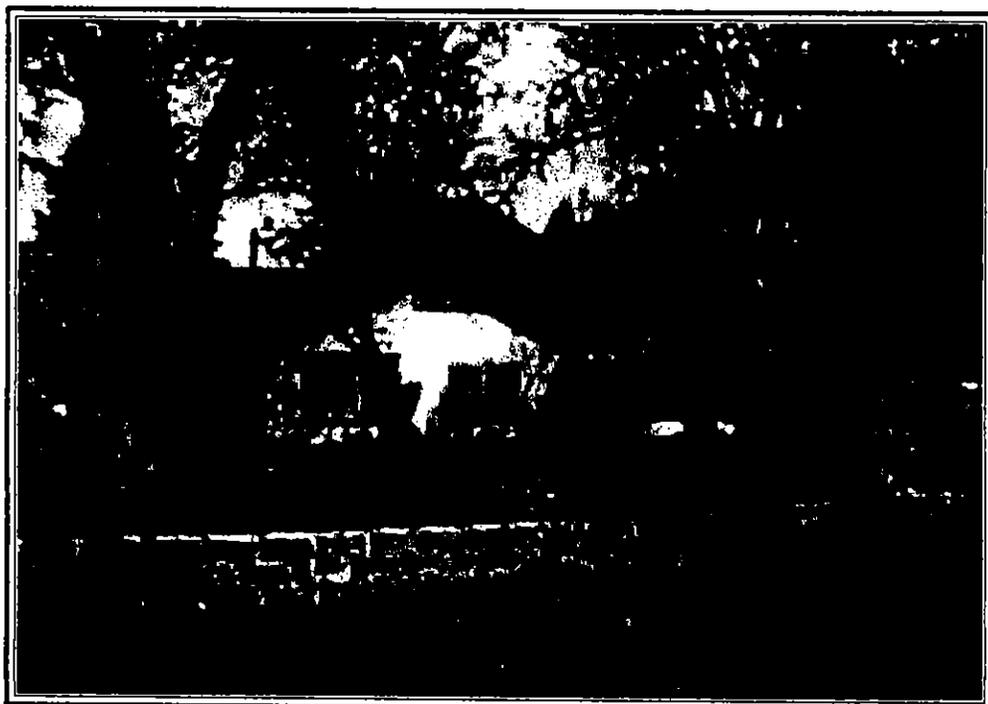
Lender/Client **CARLSON, Louise M.** Address **37408 Parsons Creek Road, Springfield, OR 97478**



COMPARABLE SALE # 4
37116 Boiler Creek Road
Springfield, OR 97478



COMPARABLE SALE # 5
39107 Hileman
Marcola, OR 97454



COMPARABLE SALE # 6
38446 Wendling Road
Marcola, OR 97454

DEFINITION OF MARKET VALUE: The most probable price which a property should bring in a competitive and open market under all conditions requisite to a fair sale, the buyer and seller, each acting prudently, knowledgeably and assuming the price is not affected by undue stimulus. Implicit in this definition is the consummation of a sale as of a specified date and the passing of title from seller to buyer under conditions whereby: (1) buyer and seller are typically motivated; (2) both parties are well informed or well advised, and each acting in what he considers his own best interest; (3) a reasonable time is allowed for exposure in the open market; (4) payment is made in terms of cash in U. S. dollars or in terms of financial arrangements comparable thereto; and (5) the price represents the normal consideration for the property sold unaffected by special or creative financing or sales concessions* granted by anyone associated with the sale.

*Adjustments to the comparables must be made for special or creative financing or sales concessions. No adjustments are necessary for those costs which are normally paid by sellers as a result of tradition or law in a market; these costs are readily identifiable since the seller pays these costs in virtually all sales transactions. Special or creative financing adjustments can be made to the comparable property by comparisons to financing terms offered by a third party institutional lender that is not already involved in the property or transaction. Any adjustment should not be calculated on a mechanical dollar for dollar cost of the financing or concession but the dollar amount of any adjustment should approximate the market's reaction to the financing or concessions based on the appraiser's judgment.

STATEMENT OF LIMITING CONDITIONS AND APPRAISER'S CERTIFICATION

CONTINGENT AND LIMITING CONDITIONS: The appraiser's certification that appears in the appraisal report is subject to the following conditions:

1. The appraiser will not be responsible for matters of a legal nature that affect either the property being appraised or the title to it. The appraiser assumes that the title is good and marketable and, therefore, will not render any opinions about the title. The property is appraised on the basis of it being under responsible ownership.
2. The appraiser has provided a sketch in the appraisal report to show approximate dimensions of the improvements and the sketch is included only to assist the reader of the report in visualizing the property and understanding the appraiser's determination of its size.
3. The appraiser has examined the available flood maps that are provided by the Federal Emergency Management Agency (or other data sources) and has noted in the appraisal report whether the subject site is located in an identified Special Flood Hazard Area. Because the appraiser is not a surveyor, he or she makes no guarantees, express or implied, regarding this determination.
4. The appraiser will not give testimony or appear in court because he or she made an appraisal of the property in question, unless specific arrangements to do so have been made beforehand.
5. The appraiser has estimated the value of the land in the cost approach at its highest and best use and the improvements at their contributory value. These separate valuations of the land and improvements must not be used in conjunction with any other appraisal and are invalid if they are so used.
6. The appraiser has noted in the appraisal report any adverse conditions (such as, needed repairs, depreciation, the presence of hazard wastes, toxic substances, etc.) observed during the inspection of the subject property or that he or she became aware of during the normal research involved in performing the appraisal. Unless otherwise stated in the appraisal report, the appraiser has no knowledge of any hidden or unapparent conditions of the property or adverse environmental conditions (including the presence of hazardous wastes, toxic substances, etc.) that would make the property more or less valuable, and has assumed that there are no such conditions and makes no guarantees or warranties, express or implied, regarding the condition of the property. The appraiser will not be responsible for any such conditions that do exist or for any engineering or testing that might be required to discover whether such conditions exist. Because the appraiser is not an expert in the field of environmental hazards, the appraisal report must not be considered as an environmental assessment of the property.
7. The appraiser obtained the information, estimates, and opinions that were expressed in the appraisal report from sources that he or she considers to be reliable and believes them to be true and correct. The appraiser does not assume responsibility for the accuracy of such items that were furnished by other parties.
8. The appraiser will not disclose the contents of the appraisal report except as provided for in the Uniform Standards of Professional Appraisal Practice.
9. The appraiser has based his or her appraisal report and valuation conclusion for an appraisal that is subject to satisfactory completion, repairs, or alterations on the assumption that completion of the improvements will be performed in a workmanlike manner.
10. The appraiser must provide his or her prior written consent before the lender/client specified in the appraisal report can distribute the appraisal report (including conclusions about the property value, the appraiser's identity and professional designations, and references to any professional appraisal organizations or the firm with which the appraiser is associated) to anyone other than the borrower; the mortgagee or its successors and assigns; the mortgage insurer; consultants; professional appraisal organizations; any state or federally approved financial institution; or any department, agency, or instrumentality of the United States or any state or the District of Columbia; except that the lender/client may distribute the property description section of the report only to data collection or reporting service(s) without having to obtain the appraiser's prior written consent. The appraiser's written consent and approval must also be obtained before the appraisal can be conveyed by anyone to the public through advertising, public relations, news, sales, or other media.

APPRAISER'S CERTIFICATION: The Appraiser certifies and agrees that:

1. I have researched the subject market area and have selected a minimum of three recent sales of properties most similar and proximate to the subject property for consideration in the sales comparison analysis and have made a dollar adjustment when appropriate to reflect the market reaction to those items of significant variation. If a significant item in a comparable property is superior to, or more favorable than, the subject property, I have made a negative adjustment to reduce the adjusted sales price of the comparable and, if a significant item in a comparable property is inferior to, or less favorable than the subject property, I have made a positive adjustment to increase the adjusted sales price of the comparable.
2. I have taken into consideration the factors that have an impact on value in my development of the estimate of market value in the appraisal report. I have not knowingly withheld any significant information from the appraisal report and I believe, to the best of my knowledge, that all statements and information in the appraisal report are true and correct.
3. I stated in the appraisal report only my own personal, unbiased, and professional analysis, opinions, and conclusions, which are subject only to the contingent and limiting conditions specified in this form.
4. I have no present or prospective interest in the property that is the subject to this report, and I have no present or prospective personal interest or bias with respect to the participants in the transaction. I did not base, either partially or completely, my analysis and/or the estimate of market value in the appraisal report on the race, color, religion, sex, handicap, familiar status, or national origin of either the prospective owners or occupants of the subject property or of the present owners or occupants of the properties in the vicinity of the subject property.
5. I have no present or contemplated future interest in the subject property, and neither my current or future employment nor my compensation for performing this appraisal is contingent on the appraised value of the property.
6. I was not required to report a predetermined value or direction in value that favors the cause of the client or any related party, the amount of the value estimate, the attainment of a specific result, or the occurrence of a subsequent event in order to receive my compensation and/or employment for performing the appraisal. I did not base the appraisal report on a requested minimum valuation, a specific valuation, or the need to approve a specific mortgage loan.
7. I performed this appraisal in conformity with the Uniform Standards of Professional Appraisal Practice that were adopted and promulgated by the Appraisal Standards Board of The Appraisal Foundation and that were in place as of the effective date of this appraisal, with the exception of the departure provision of those Standards, which does not apply. I acknowledge that an estimate of a reasonable time for exposure in the open market is a condition in the definition of market value and the estimate I developed is consistent with the marketing time noted in the neighborhood section of this report, unless I have otherwise stated in the reconciliation section.
8. I have personally inspected the interior and exterior areas of the subject property and the exterior of all properties listed as comparables in the appraisal report. I further certify that I have noted any apparent or known adverse conditions in the subject improvements, on the subject site, or on any site within the immediate vicinity of the subject property of which I am aware and have made adjustments for these adverse conditions in my analysis of the property value to the extent that I had market evidence to support them. I have also commented about the effect of the adverse conditions on the marketability of the subject property.
9. I personally prepared all conclusions and opinions about the real estate that were set forth in the appraisal report. If I relied on significant professional assistance from any individual or individuals in the performance of the appraisal or the preparation of the appraisal report, I have named such individual(s) and disclosed the specific tasks performed by them in the reconciliation section of this appraisal report. I certify that any individual so named is qualified to perform the tasks. I have not authorized anyone to make a change to any item in the report; therefore, if an unauthorized change is made to the appraisal report, I will take no responsibility for it.

SUPERVISORY APPRAISER'S CERTIFICATION: If a supervisory appraiser signed the appraiser report, he or she certifies and agrees that: I directly supervise the appraiser who prepared the appraisal report, have reviewed the appraisal report, agree with the statements and conclusions of the appraiser, agree to be bound by the appraiser's certifications numbered 4 through 7 above, and am taking full responsibility for the appraisal and the appraisal report.

ADDRESS OF PROPERTY APPRAISED: 37408 Parsons Creek Road, Springfield, OR 97478

APPRAISER:
 Signature: 
 Name: Mustafa Salehi
 Date Signed: 9/12/05
 State Certification #: CR00264
 or State License #: _____
 State: OR
 Expiration Date of Certification or License: 4/30/2007

SUPERVISORY APPRAISER (only if required)
 Signature: _____
 Name: _____
 Date Signed: _____
 State Certification #: _____
 or State License #: _____
 State: _____
 Expiration Date of Certification or License: _____
 Did Did Not Inspect Property

