

August 1978 between
as Grantor
as Trustee
as Beneficiary

WITNESSETH:

Beginning at a point in the West line of Rogers Street (formerly Paul Street) 120 feet Southerly from the Southeast corner of Lot 4 in Block 8, Lakeside Addition to the City of Klamath Falls, Oregon, according to the official plat thereof on file in the office of the County Clerk of Klamath County, Oregon, and running thence Southerly along the Westerly line of said Rogers Street, 60 feet; thence Westerly at right angles to first course 100 feet; thence Northerly parallel with first course 60 feet; thence Easterly 100 feet to the point of beginning, situate in Lot 2 of Section 32, Township 38 South, Range 9 East of the Willamette Meridian, Klamath County, Oregon, and being the parcel of land formerly designated as Lot 7 of Block 8, Lakeside Addition to the City of Klamath Falls, Oregon.

The above described real property is not currently used for agricultural, timber or grazing purposes.

To protect the security of this trust deed, grantor agrees:

- It is mutually agreed that:*

9. At any time and from time to time upon written request of beneficiary, payment of its fees and presentation of this deed and the note to endorsement (in case of full recoverances, for cancellations), without affecting the liability of any person for the payment of the indebtedness, trustee may

17. Trustee, except the trustee who is the settlor, shall be conclusively presumed to have knowledge of the contents of the trust or of any action or proceeding in which the settlor or the settlor's estate shall be a party unless such action or proceeding is a public proceeding.

NOTE: The Trust Deed Act provides that the trustee hereafter named be neither an attorney, who is an agent of a bank, nor a partner in a firm, nor a company or company authorized to do business under the laws of Virginia or the United States, or that the property of this trust is a legal trust and that the trustee is a resident of the United States or any agent thereof.

The grantor covenants and agrees to and with the beneficiary and those claiming under him, that he is lawfully seized in fee simple of said described real property and has a valid, unencumbered title thereto, EXCEPT a prior Trust Deed for First Federal Savings and Loan Association of Klamath Falls, recorded June 28, 1977, in Vol. M77, page 11148, Mortgage Records of Klamath County, Oregon, to which this Trust Deed is second and junior, and that he will warrant and forever defend the same against all persons whomsoever.

The grantor warrants that the proceeds of the loan represented by the above described note and this trust deed are

- (a)* primarily for grantor's personal, family, household or agricultural purposes (see Important Notice below);
(b) for an organization, or (even if grantor is a natural person) are for business or commercial purposes other than agricultural purposes.

This deed applies to, inures to the benefit of and binds all parties hereto, their heirs, legatees, devisees, administrators, executors, personal representatives, successors and assigns. The term beneficiary shall mean the holder and owner, including pledgees, of the contract secured hereby, whether or not named as a beneficiary herein. In construing this deed and whenever the context so requires, the masculine gender includes the feminine and the neuter, and the singular number includes the plural.

IN WITNESS WHEREOF, said grantor has hereunto set his hand the day and year first above written:

* IMPORTANT NOTICE: Delete, by lining out, whichever warranty (a) or (b) is not applicable; if warranty (a) is applicable and the beneficiary is a creditor or such word is defined in the Truth-in-Lending Act and Regulation Z, the beneficiary MUST comply with the Act and Regulation by making required disclosures; for this purpose, if this instrument is to be a FIRST lien to finance the purchase of a dwelling, use Stevens-Ness Form No. 1305 or equivalent; if this instrument is NOT to be a first lien, use Stevens-Ness Form No. 1306, or equivalent. If compliance with the Act not required, disregard this notice.

(If the signer of the above is a corporation, use the form of acknowledgment opposite.)

(ORS 92.492)

STATE OF OREGON,

County of Klamath

August 22, 1978

Personally appeared the above named Gerald R. Cannon and Gloria A. Cannon, husband and wife,

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

(OFFICIAL SEAL)

Before me:

Notary Public for Oregon

My commission expires: 3/24/81

STATE OF OREGON, County of

, 19

Personally appeared

and

each for himself and not one for the other, did say that the former is the president and that the latter is the secretary of

and that the seal affixed to the foregoing instrument is the corporate seal of said corporation and that said instrument was signed and sealed in behalf of said corporation by authority of its board of directors, and each of them acknowledged said instrument to be its voluntary act and deed.

Before me:

Notary Public for Oregon

My commission expires:

(OFFICIAL SEAL)

REQUEST FOR FULL RECONVEYANCE

To be used only when obligations have been paid.

TO:

Trustee

The undersigned is the legal owner and holder of all indebtedness secured by the foregoing trust deed. All sums secured by said trust deed have been fully paid and satisfied. You hereby are directed, on payment to you of any sums owing to you under the terms of said trust deed or pursuant to statute, to cancel all evidences of indebtedness secured by said trust deed (which are delivered to you herewith together with said trust deed) and to reconvey, without warranty, to the parties designated by the terms of said trust deed the estate now held by you under the same. Mail reconveyance and documents to

DATED:

, 19

Beneficiary

Do not lose or destroy this Trust Deed OR THE NOTE which it secures. Both must be delivered to the trustee for cancellation before reconveyance will be made.

TRUST DEED

(FORM No. 881)

STEVENS-NESS LAW FIRM, CO., PORTLAND, ORE.

Grantor

SPACE RESERVED
FOR
RECORDER'S USE

Beneficiary

AFTER RECORDING RETURN TO

Klamath Trust Deed
Main Street

STATE OF OREGON

County of Klamath

I certify that the within instrument was received for record on the 22nd day of August, 1978, at 10:53 o'clock A.M., and recorded in book 11148 on page 11148 of its file reel number 11148.

Record of Mortgages of said County

Witness my hand and seal of County affixed.

By [Signature] Title
Deputy