

Beneficiary,

***RIVERSIDE REALTY CORP., a Washington corporation and ISAAC SHACHORY, a

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

[illegible]

NOTE: The 1st and 2nd boxes are completed from the information on the front of the card. The 3rd box is completed from the information on the back of the card.

The grantor covenants and warrants 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 and that he will warrant and 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 (c) if grantor is a natural person) are for business or commercial purposes other than agricultural purposes.

This deed applies to, inure to the benefit of and binds all parties hereto, their heirs, legatees, devisees, administrators, executors, personal representatives, successors and assigns. The beneficiary shall retain the holder and owner, including pledgees, of the contract secured hereby, whether or not assigned as a beneficiary herein. In construing this deed and whenever the context so requires, the masculine gender includes the feminine 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: Before, by doing so, a borrower warrants (a) or (b) is not applicable; if warranty (a) is applied to the beneficiary is a dealer or such word is defined in the Beneficiary Lending Act and Regulation Z, the beneficiary must comply with the Act and Regulation by making required disclosures. For this purpose, if the borrower is a dealer, see Section 1026.11 of Regulation Z. If the instrument is not to be a first lien, see Section 1026.11 of Regulation Z. If compliance with the Act is required, disregard this notice.

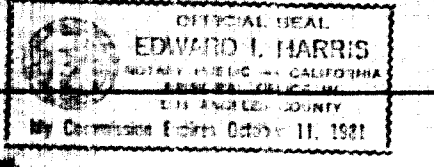
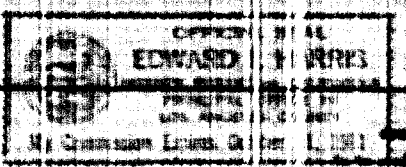
Robert M. PERLA PRESIDENT
Robert M. PERLA PRESIDENT
Edward Harris Secretary

CALIFORNIA
STATE OF CALIFORNIA
County of Los Angeles
August 27, 1978
Personally appeared the above and
EDWARD HARRIS

STATE OF CALIFORNIA, County of Los Angeles
August 27, 1978
Personally appeared Robert M. PERLA and

and acknowledged the foregoing instrument to be his free and voluntary act and deed.
Notary Public for California
My commission expires:

who, being duly sworn, 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 PERLA Development Co., Inc., a corporation, 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.
Edward Harris
Notary Public for the State of California
My commission expires:



The undersigned is the legal owner of all indebtedness secured by the foregoing trust deed. All sums secured by said trust deed have been fully paid and the holder of said trust deed is released from all obligations secured by said trust deed (which are delivered to you hereunder subject to said release) and, nevertheless, with my consent, to the parties designated by the terms of said trust deed the sums now held by you under the said release.

DATED: _____
Beneficiary

We and him to thereby this trust deed and the proceeds thereof to be delivered to the holder for cancellation before conveyance will be made.

(Corporation)
STATE OF CALIFORNIA
COUNTY OF Los Angeles
On August 27, 1978
State, personally appeared ROBERT M. PERLA
known to me to be the
authorized officer
of the corporation this
instrument is made by the
instrument on behalf of
and acknowledged to me the
validity of the instrument
in my presence and in the
presence of witnesses.

TITLE INSURANCE AND TRUST
A TITOLUX COMPANY
Notary Public in and for said State, and
President, and

Signature: *Edward Harris*

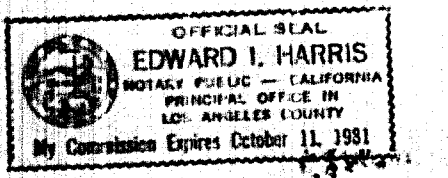


EXHIBIT "A"

21842

A tract of land situated in Sections 5, 6, and 8, all in Township 35 South, Range 7 East of the Willamette Meridian, in the County of Klamath, State of Oregon, being more particularly described as follows:

Beginning at the section corner common to Sections 5, 6, 7 and 8 of said Township and Range, said corner marked by a Klamath County Brass cap monument; thence South $89^{\circ} 42' 05''$ West 1320.35 feet to the Southwest corner of Government Lot 24 of said Section 6; thence North $01^{\circ} 55' 22''$ East 1993.70 feet to the Northwest corner of Government Lot 18 of said Section 6; thence North $89^{\circ} 43' 28''$ East 1319.70 feet to the Northeast corner of said Government Lot 18, also being the Southwest corner of Government Lot 20 of said Section 5; thence North $01^{\circ} 50' 30''$ East 1328.76 feet to the Northwest corner of Government Lot 13 of said Section 5; thence North $02^{\circ} 18' 14''$ East 670.33 feet to the Northwest corner of Government Lot 12 of said Section 5; thence easterly, along the North line of said Lot 12, 103.73 feet, more or less, to the Southwesterly right of way line of State Highway 62; thence South $28^{\circ} 42' 30''$ East along said right of way line, 3046.89 feet to a point on the North line of Government Lot 27 of said Section 5; thence North $88^{\circ} 56' 31''$ West 317.52 feet to the Northwest corner of said Government Lot 27; thence North $89^{\circ} 28' 18''$ West 1331.08 feet to the Northwest corner of Government Lot 28 of said Section 5; thence South $01^{\circ} 34' 38''$ West 1326.77 feet to the point of beginning; ALSO beginning at the said section corner common to said Sections 5, 6, 7 and 8; thence North $89^{\circ} 50' 11''$ East, along the North line of Government Lots 4 and 3 of said Section 8, 2667.45 feet to the Southwesterly right of way line of said Highway 62; thence South $28^{\circ} 52' 30''$ East, along said right of way line, 474.50 feet to a point on the East line of said Government Lot 3; thence South $00^{\circ} 02' 47''$ West 4214.53 feet to the Southeast corner of Government Lot 27 of said Section 5, also being the Northwest corner of Government Lot 31 of said Section 8; thence North $89^{\circ} 21' 52''$ East, along the North line of Government Lots 31 and 32 of said Section 8, 1749.88 feet to a point on the Northwest right of way line of State Highway 422 (Chiloquin-Williamson River Highway); thence South $15^{\circ} 59' 15''$ West, along said right of way line, 129.04 feet to a point on the South line of said Section 8; thence South $89^{\circ} 25' 45''$ West 1263.22 feet to the SE corner of said Section 8; thence South $89^{\circ} 39' 53''$ West 1322.87 feet to the Southwest corner of Government Lot 30 of said Section 8; thence North $00^{\circ} 04' 26''$ East 669.97 feet to the Northwest corner of said Government Lot 30; thence North $00^{\circ} 08' 00''$ West 1944.57 feet to the Southeast corner of Government Lot 13 of said Section 8; thence North $89^{\circ} 57' 15''$ West 1325.45 feet to the NE corner of said Section 8; thence North $00^{\circ} 07' 46''$ West 404.81 feet to the Northwest corner of said Government Lot 13; thence North $00^{\circ} 16' 36''$ West 1977.38 feet to the point of beginning, with bearings based on Survey No. 2307, as recorded in the office of the Klamath County Surveyor.

By PA - [Signature]

EXHIBIT "B" TO TRUST DEED

21843

Beneficiary hereby agrees to release from the lien of this Deed of Trust and direct the Trustee named herein to release and reconvey said real estate encumbered hereby upon Trustor delivering to Beneficiary a new Purchase Money Note secured by a new First Deed of Trust on each individual parcel created by trustor's division of the property.

The amount of said new Note and Deed of Trust on each new parcel shall be determined by Beneficiary provided that the cumulative amount of all said new Notes shall equal the balance due on the original blanket mortgage before substitutions.

The annual payment on each new Note shall be amortized under the same terms and conditions as the original Note before substitutions, provided that the cumulative amount of all payments of said new Notes shall equal the annual payments on the Note secured by the original blanket mortgage.

All costs for reconveyances and creating new Noted and Trust Deeds shall be paid by Trustor.

STATE OF OREGON, COUNTY OF KLAMATH; ss.

sd for record at request of Transamerica Title Co.
2nd day of October A. D. 1978 at 10:58 o'clock A. M., on
 to be recorded in Vol. 878, of Mortgages, on Page 21840

W. D. MILNE, County Clerk

For \$12.00

Beauregard Schuch