

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

and that he will warrant and forever defend the same against all persons whomsoever.

In the event Grantor herein desires to construct a residence and the accompanying out buildings, the Trustee and the Beneficiary agree to subordinate this Trust Deed to any such building construction loan.

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 pledgee, 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.)

Jerry A. Smith
Connie J. Smith

STATE OF OREGON, County of California, ss.
County of Santa Clara, ss.

Personally appeared the above named
Jerry A. Smith and Connie J.
Smith, husband and wife,

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

Before me:
(OFFICIAL SEAL) *Barbara Ann Rouda*
Notary Public for Oregon, California
My commission expires:



OFFICIAL SEAL
BARBARA ANN ROUDA
NOTARY PUBLIC - CALIFORNIA
PRINCIPAL OFFICE IN THE
COUNTY OF SANTA CLARA
Comm. Exp. Sept. 4, 1979

TO: The undersigned is the legal owner and holder of the within instrument and has been fully paid and satisfied. You trust deed have been fully paid and satisfied. You said trust deed or pursuant to statute, to cancel herewith together with said trust deed) and to re-estate now held by you under the same. Mail rec

DATED:

Do not lose or destroy this Trust Deed OR THE NOTE

TRUST DEED

(FORM No. 881)

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

Grantor
Beneficiary

AFTER RECORDING RETURN TO

KCT Co

STATE OF OREGON, County of California, ss.
County of Santa Clara, ss.

Personally appeared Jerry A. Smith and Connie J. Smith, 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

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.

Before me:
(OFFICIAL SEAL)
Notary Public for Oregon
My commission expires:

STATE OF OREGON

County of KLAMATH, ss.
I certify that the within instrument was received for record on the 6th day of FEBRUARY, 1979, at 3:25 o'clock P.M., and recorded in book M79 on page 2953 or as file/reel number 62149.
Record of Mortgages of said County.
Witness my hand and seal of County affixed.

WM. D. MILNE
COUNTY CLERK Title

By *Alfred D. Spazul* Deputy
FEE \$ 6.00