

4. The entering upon and taking possession of said property, the collection of such rents, issues and profits or the proceeds of fire and other insurance policies or compensation or awards for any taking or damage of the property, and the application or release thereof, as aforesaid, shall not cure or waive any default or notice of default hereunder or invalidate any act done pursuant to such notice.

5. The grantor shall notify beneficiary in writing of any sale or contract for sale of the above described property and furnish beneficiary on a form supplied it with such personal information concerning the purchaser as would ordinarily be required of a new loan applicant and shall pay beneficiary a service charge.

6. Time is of the essence of this instrument and upon default by the grantor in payment of any indebtedness secured hereby or in performance of any obligation hereunder, the beneficiary may declare all sums secured hereby immediately due and payable by delivery to the trustee of written notice of default and election to sell the trust property, which notice of default shall cause to be the beneficiary shall deposit with the trustee this trust deed and all promissory notes and documents evidencing expenditures secured hereby, whereupon the trustee shall fix the time and place of sale and give notice thereof as then required by law.

7. After default and any time prior to five days before the date set by the Trustee for the Trustee's sale, the grantor or other person so privileged may pay the entire amount then due under this trust deed and the obligations secured thereby (including costs and expenses actually incurred in enforcing the terms of the obligation and trustee's and attorney's fees not exceeding the amount of the principal as would be due had no default occurred and thereby cure the default.

8. After the lapse of such time as may then be required by law following the recording of said notice of default and giving of said notice of sale, the trustee shall sell said property at the time and place fixed by him in said notice of sale, either as a whole or in separate parcels, and in such order as he may determine, at public auction to the highest bidder for cash, in lawful money of the United States, payable at the time of sale. Trustee may postpone sale of all or any portion of said property by public announcement at such time and place of sale and from time to time thereafter may postpone the sale by public announcement at the time fixed by the preceding postponement. The trustee shall deliver to the purchaser his deed in form as required by law, conveying the premises in the deed of any matters or facts shall be conclusive proof of the truthfulness thereof. Any person, excluding the trustee but including the grantor and the beneficiary, may purchase at the sale.

9. When the Trustee sells pursuant to the powers provided herein, the trustee shall apply the proceeds of the trustee's sale as follows: (1) To the expenses of the sale including the compensation of the trustee, and a reasonable charge by the attorney. (2) To the obligation secured by the trust deed. (3) To all persons having recorded liens subsequent to the order of their priority. (4) The surplus, if any, to the grantor of the trust deed or to his successor in interest entitled to such surplus.

10. For any reason permitted by law, the beneficiary may from time to time appoint a successor or successors to any trustee named herein, or to any successor trustee appointed hereunder. Upon such appointment and without conveyance to the successor trustee, the latter shall be vested with all title powers and duties conferred upon any trustee herein named or appointed hereunder. Each such appointment and substitution shall be made by written instrument executed by the beneficiary, containing reference to this trust deed and its place of record, which, when recorded in the office of the county clerk or recorder of the county or counties in which the property is situated, shall be conclusive proof of the proper appointment of the successor trustee.

11. Trustee accepts this trust when this deed, duly executed and acknowledged is made a public record, as provided by law. The trustee is not obligated to notify any party hereto of pending sale under any other deed of trust or of any action or proceeding in which the grantor, beneficiary or trustee shall be a party unless such action or proceeding is brought by the trustee.

12. This deed applies to, inures to the benefit of, and binds all parties hereto, their heirs, legatees devisees, administrators, executors, successors and assigns. The term "beneficiary" shall mean the holder and owner, including pledgee, of the note 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/or neuter, and the singular number includes the plural.

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

Larry D. Cheyne
LARRY D. CHEYNE (SEAL)

Sandra A. Cheyne
SANDRA A. CHEYNE (SEAL)

STATE OF OREGON }
County of Klamath } ss

THIS IS TO CERTIFY that on this 8th day of February, 1982, before me, the undersigned, a Notary Public in and for said county and state, personally appeared the within named LARRY D. CHEYNE and SANDRA A. CHEYNE, Husband and wife

to me personally known to be the identical individuals named in and who executed the foregoing instrument and acknowledged to me that they executed the same freely and voluntarily for the uses and purposes therein expressed.

IN TESTIMONY WHEREOF, I have herunto set my hand and affixed my notarial seal the day and year last above written.

Susan K. Karsch
Notary Public for Oregon
My commission expires: 2-6-85



Loan No. _____

TRUST DEED

_____ Grantor

TO

KLAMATH FIRST FEDERAL SAVINGS AND LOAN ASSOCIATION

Beneficiary

After Recording Return To:

KLAMATH FIRST FEDERAL SAVINGS AND LOAN ASSOCIATION

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 _____ on page _____ Record of Mortgages of said County.

Witness my hand and seal of County affixed.

_____ County Clerk

By _____ Deputy

(DON'T USE THIS SPACE; RESERVED FOR RECORDING LABEL IN COUNTIES WHERE USED.)

REQUEST FOR FULL RECONVEYANCE

To be used only when obligations have been paid.

TO: William Sizmore, 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.

Klamath First Federal Savings & Loan Association, Beneficiary

DATED: February 8, 1982 by _____

A piece or parcel of land situate in Lot 1 of Section 28, Township 40 South, Range 9 East of the Willamette Meridian, being more particularly described as follows:

Beginning at an iron pin marking the quarter section corner common to Sections 21 and 28, Township 40 South, Range 9 East of the Willamette Meridian; thence South 0° 06 1/4' West along the North-South centerline of said Section 28, 885.1 feet to an iron pin, thence North 89° 47 1/4' West 941.9 feet to an iron pin on the center line of the lower Klamath Lake County Road as the same is presently located and constructed; thence following the center line of said county Road, North 64° 41' West 378.2 feet; North 32° 55 1/2' West 490.6 feet, and North 24° 28' West 341.3 feet to a point on the North line of said Section 28; thence South 89° 54 3/4' East along the North line of said Section 28 1693.4 feet, more or less, to the point of beginning.

EXCEPTING THEREFROM a piece or parcel of land situate in Lot 1 of Section 28 Township 40 South, Range 9 East of the Willamette Meridian, more particularly described as follows:

Beginning at an iron pin marking the quarter section corner common to Sections 21 and 28, Township 40 South, Range 9 East of the Willamette Meridian, thence South 0° 06 1/4' West along the North-South center line of said Section 28, 885.1 feet to an iron pin, thence North 89° 47 1/4' West 689.01 feet to a point; thence North parallel to said North-South quarter line to a point on the North line of Section 28; thence East along the North line of Section 28 to the point of beginning.

ALSO LESS AND EXCEPT a parcel of land situate in Government Lot 1, Section 28, Township 40 South, Range 9 East of the Willamette Meridian, in the County of Klamath, State of Oregon, and being more particularly described as follows:

Beginning at an iron pin marking the quarter section common to Sections 21 and 28, Township 40 South, Range 9 East of the Willamette Meridian; thence South 0° 06 1/4' West along the North-South centerline of said Section 28, 885.1 feet to an iron pin; thence North 89° 47 1/4' West 689.01 feet to a point which is the true point of beginning of this description; thence continuing North 89° 47 1/4' West 200 feet; thence North parallel with the North-South centerline of said Section 28, to the North line of Section 28; thence East along said North line, 200 feet to a point; thence South parallel with the North-South centerline of said Section 28, to the point of beginning.

STATE OF OREGON; COUNTY OF KLAMATH; ss.

Filed for record of _____

this 9 day of Feb. A. D. 19 82 at 4:00 o'clock P. M., and

duly recorded in Vol. M 82, of Mtge. on page 1620

Fee \$12.00

EVELYN BIEHN County Clerk

By Joyce McShane