Lot 8, Block 5, SUN FOREST ESTATES, TRACT 1060, according to the official plat thereof on file in the office of the County Clerk of Klamath County, Oregon.

together with all and singular the tenements, hereditaments and appurtenances and all other rights thereunto belonging or in anywise now or hereafter appertaining, and the rents, issues and profits thereof and all fixtures now or hereafter attached to or used in connection with said real estate. now or hereatter appertaining, and the rents, issues and profits thereof and all fixed and of including and the rents, issues and profits thereof and all fixed and of including the state.

FOR THE PURPOSE OF SECURING PERFORMANCE of each agreement of grantor herein contained and payment of the minoring and the rents, issues and profits thereof and all fixed and payment of the formation and payment of the profits and payment of the profits and payment of the formation and payment of the payment

note of even date herewith, payable to beneficiary or order and made by grantor, the final payment of principal and interest hereof, if SUM OF FOUR THOUSAND TWO HUNDRED AND NO/100

not sooner paid, to be due and payable to beneficiary or order and made Dex. Lechis. O The date of maturity of the debt secured by this instrument is The date of maturity of the debt secured by this instrument is The date of payable.

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

1. To protect, preser and raintain and professional procession of the payable of the profession of the payable of t

(a) consent to the making of any map or plat of said property; (b) join in granting any easement or creating any restriction thereon; (c) join in any subordination or other agreement affecting this deed or the lien or charge thereof; (d) reconvey, without arranty, all or any the property. The granting any reconveyance may be described any part of the property. The granting entitled thereto, and the recitals thereof any matters or lacts shall be all the services mentioned in this paragraph shall be not less than \$5. be conclusive proof of the truthulmess thereof. Thuster's freshor any of the services mentioned in this paragraph shall be not less than \$5. be conclusive proof of the truthulmess thereof, be heneficiary may at any services mentioned in this paragraph shall be not less than \$5. the proof of the truthulmess thereof, and the preson, by agent of the appropriate of the dependent of the standard of the proof of the truthulmess thereof, and the proof of the truthulmess thereof, and the proof of the truthulmess thereof of the proof of the truthulmess thereof of the proof of the truthulmess of the proof of the truthulmess thereof of the proof of the truthulmess of the proof of the truthulmess thereof of the proof of the truthulmess of the proof of the

pursuant to such notice.

12. Upon default by grantor in payment of any indebtedness secured hereby or in his performance of any agreement hereunder, the beneficiary may not in his performance of any agreement hereunder, the beneficiary may not sums secured hereby immediately due and payable. I trust deed to see that the beneficiary at his criect the trustee of the coccose this trust deed by the control of t

thereof as then required by law and proceed to ioreciose this trust deed in the manner provided in ORS 86.740 to 86.795.

13. Should the beneficiary elect to foreclose by advertisement and safe that the same to the same to the same to the same to the same that the sam

the default, in which event all foreclosure proceedings shall be dismissed by the trustee.

14. Otherwise, the sale shall be held on the date and at the time and place designated in the notice of sale or the time to which said sale may be postponed as provided by law. The frustee may sell said property either in one parcel or in great a parcels and shall sell the parcel or parcels at property of the highest bidder for cash, pathe at the time of sale. Trustee in one parcel or in self-defined the said self-defined to the property so sold, but one coverant or warranty, such as the parcel of the trustee in the property so sold, but one of the property so sold, but one of the property so sold, but one of the trustee in the sale. It including plied. The recitals in the deed of any person, excluding the trustee, but including the frust and beneficiary, may purchase at the sale.

15. When trustee sells pursuant to the powers provided herein, frustee shall apply the proceeds of sale to payment of (1) the expense of sale, including the proceeds of sale to payment of (2) to the expense of sale, including the compensation of the trustee and a trust deed, (3) to all persons altoring, (2) to the obligation secured by the interest deed, (3) to all persons deed as their interests may appear in the order of their priority and (4) the having recorded liens subsequent to the interest of their priority and (4) the surplus, if any, to the granter or to his successor in interest entitled to such surplus, if any, to the granter or to his auccessor in interest entitled to such surplus, if any, to the granter or the law hencitians may be accessed.

surplus, if any, to the granter or to his successor in interest entitled to such surplus.

16. For any reason permitted by law beneficiary may from time to many from a successor or successors or 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 conveyance to the successor trustee, the frustee herein named by written herein herein and substitution shall be made by written herein h

NOTE. The Trust Deed Act provides that the trustee hereunder must be either an attorney, who is an active member of the Oregon State Bar, a bank, trust company of the United States, a title insurance company authorized to insure title to real or savings and loan association authorized to do business under the laws of Oregon or the United States, a title insurance company authorized to 696.505 to 696.505.

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.

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 teminine 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 as 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, or is not to finance the purchase of a dwelling use Stevens-Ness Form No. 1306, or equivalent. If compliance with the Act is not required, disregard this notice. WILLARD H KERNEEN

LINDA KERNEEN (If the signer of the above is a corporation, use the form of acknowledgment apposite.) IORS 93,4901 STATE OF OREGON, County of STATE OF OREGON, County of Klamath Personally appeared August // , 19 8 who, each being first Personally appeared the above named. duly sworn, did say that the former is the WILLARD H. KERNEEN and LINDA president and that the latter is the KERNEEN, husband and wife N. All secretary of a corporation, and that the seal affixed to the loregoing instrument is the corporate seal of said corporation and that the 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. and acknowledged the foregoing instrutheir voluntary act and deed. ent 10 be the voluntary

Before me:

Before me:

BEAD 0 F Wolary Bublic for Oregon Before me: EÓFFICIAL... (OFFICIAL SEAL) Notary Public for Oregon My commission expires: My commission expires: 9-26-83 REQUEST FOR FULL RECONVEYANCE To be used only when obligations have been paid. Trustee TO: 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. STATE OF OREGON, TRUST DEED SS. County of ...KLamath (FORM No. 881-1) I certify that the within instru-STEVENS-NESS LAW PUB. CO., POR ment was received for record on the 13th...day of .. August......, 1982..., Mr. & Mrs. Willard H. Kerneen at.....11:09.o'clock A...M., and recorded in book/reel/volume No....M82....on SPACE RESERVED page..10507.....or as document/fee/file/ Grantor FOR instrument/microfilm No. .14563......, Mr. & Mrs. Donald Kelley

RECORDER'S USE

Beneticiary

AFTER RECORDING RETURN TO

MOUNTAIN TITLE COMPANY INC. 13203

County affixed.

Record of Mortgages of said County. Witness my hand and seal of

Evelyn Biehn County Clerk