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 tixtures now or hereafter attached to or used in connection with said real estate.

FOR THE PURPOSE OF SECURING PERFORMANCE of each agreement of grantor herein contained and payment of the note of even date herewith, payable to beneficiary or order and made by grantor, the final payment of principal and interest hereol, if not sooner paid, to be due and payable April 3 1987.

April 3 1987.

The date of maturity of the debt secured by this instrument is the date, stated above, on which the linal installment of said note becomes due and payable. In the event the within described property, or any part thereof, or any interest therein is sold, agreed to be sold, conveyed, assigned or alienated by the grantor without first having obtained the written consent or approval of the beneficiary. then, at the beneficiary's option, all obligations secured by this instrument, irrespective of the maturity dates expressed therein, or the date of maturity of the grantor without first having obtained the written consent or approval of the herein, shall become immediately due and payable.

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

sold, conveyed, assigned or alternated by this instrume then, at the beneliciary's option, all obligations secured by this instrume then, at the beneliciary sold of the security of this trust deed, grantor agrees;

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

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In or protect preserve and maintain said property, in good condition of the protect preserve and maintain said property, in good condition of the protect of the pr

reliate court shall adjudge reasonable as the heneficiary's or trustee's afformer's fees on such appeal.

It is mutually affered that:

8. In the event that any portion or all of said property shall be taken enter the right of the moiner domain or condemnation beneficiary shall have the right is select, to require that all or any portion of the monies payable right, it is one for such taking, which are increased to the amount required as compensation to such taking, which are increased to the amount required to pay all reconstantly proceedings, shall be paid to beneficiary and incurred by kentor in such proceedings, shall be paid to beneficiary and incurred by kentor in such proceedings, shall be paid to beneficiary and appelled courts, the proceedings and the part of the increased by beneficiary in such proceedings, and the balance applied upon the indebteness secured execute such instruments as shall be necessary in obtaining such components of the proceedings of th

(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 familing any easement or creating any restriction thereon; (c) join in any subordination or other afteenent allecting this deed or the lien or charge thereof; (d) reconvey, without warranty, all or any part of the property. The thereof; (d) reconvey mee may be described as the "person or persons grantee in any reconveyince may be described as the "person or persons frantee in any reconveyince may be described as the "person or persons frantee in the conclusive proof the truthfulness thereof. Trustee's less for any of the services mentioned in this paraffragh shall be not less than \$5.

10. Upon any default by grantor hereunder, beneficiary may at any 10. Upon any default by grantor hereunder, beneficiary may at any prointed by a courre and without regard to the adequacy security to pointed by a courre and without regard to the adequacy security approached by a courre and without regard to the adequacy security approached thereof, in its own name sue or otherwise collect the rents, issues and proof the including those past due and unpaid, and apply the same, less costs arone any indebtedness secured hereby, and in such order as beneficiary may determine.

11. The entering upon and taking possession of said property, the insurance policies or compensation or awards for any taking or damage of the insurance policies or compensation or awards for any taking or damage of the property, and the application or release thereof as aloresaid, shall not cure or waive any default or notice of default hereunder or invalidate any act done pursuant to such notice.

12. Upon default by grantor in payment of any indebtedness secured hereby and reading the angelia of the property or in his performance of any attention of any indebtedness secured hereby and the application or release thereof as aloresaid, shall not cure or waive any default or notice of default hereunder or invalidat

waive any default or notice of default hereunder or invalidate any act done pursuant to such notice.

12. Upon default by Arantor in payment of any indebtedness secured hereby or in his performance of any agreement hereunder, the beneficiary may declare all sums secured hereby immediately due and payable. In such an declare all sums secured hereby immediately due and payable. In such an declare all sums secured hereby immediately due and payable. In such an advertisement and sale. In the latter event the beneficiary of the declare that the sale devertisement and sale. In the latter event the beneficiar or the trustee shall advertisement and sale are recorded his written notice of the obligations secured to sell the said described real property to satisfy the obligations secured hereby, wherever the trustee shall lix the time and place of sale, give notice hereby, wherever the shall lix the time and place of sale, give notice the manner provided in ORS 86.740 to 86.795.

13. Should the beneficiary elect to foreclose by advertisement and sale then after default at any time prior to live days before the date set by the them after default at any time prior to live days before the date set by trustee for the trustee's sale, the grantor or other person so privileged by trustee for the trustee's sale, the grantor or other person so privileged by the centire amount then due under the terms of the trust deed and the tively, the entire amount then due under the terms of the trust deed and the tively, the entire amount sprovided by law) other than and thereby cincipal as would not then be due had no default occurred, and thereby cincipal as would not then be due had no default occurred, and thereby trusted and loreclosure proceedings shall be dismissed by the trustee's metal in which event all foreclosure proceedings shall be dismissed by the trustee's metal in which event all foreclosure proceedings shall be dismissed by the trustee.

the default, in which event all foreclosure proceedings snall 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 trustee may sell said property either in one parcel or in separate parcels and shall sell the property of the purchaser its deed in form as required by law conveying shall deliver to the purchaser its deed in form as required by law conveying shall deliver to sold, but without any coverant or warranty, express or interpretate to sold, but without any coverant of the property of sold, but without any coverant of the trustee, but including of the trustfulness thereof. Any person, excluding the trustee, but including the granter and beneficiary, may purchase at the sale.

15. When trustee sells pursuant to the powers provided herein, trustee shall pursuant to the powers provided herein, trustee shall party the expenses of sale, including the compensation of the trustee and a tour deed, (3) to all person aftering the compensation of the trustee and a trust deed, (3) to all person aftering the control of the subsquared to the interest of the trustee in the trust of the providence of their inferests may appear in the order of their priority and (4) trust anythis, if any, to the granter out to be successor in interest entitled to such surplus.

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 time appoint a successor or successors to any truster named herein or to any time appoint a successor trustee, appointed hereunder. Upon such appointment, and without successor trustee, the latter shall be wasted with all titut powers and duties conferred upon any trustee he had be writted with all titut powers and duties conferred upon any trustee the shall be made by writted instrument. Each such appointment and substitution shall be made by writted instrument executed by beneficiary, containing reference to this trust deed instrument executed by beneficiary, containing reference to this trust deed instrument and conclusive proof of proper appointment of the tuzzesor trustee. Shall be conclusive proof of proper appointment of the tuzzesor trustee. Shall be conclusive proof of proper appointment of the tuzzesor trustee. Shall be conclusive proof of proper appointment of the tuzzesor trustee is not obligated to notily any party heretor of grants sale under any other deed of trust of of any action or proceeding in which granton, beneficiary or trustee shall be a party unless such action or proceeding is brought by trustee.

NOTE: The Trust Deed Act provides that the trustee hereunder must be either an attamey, who is an active member of the Oregon State Bar, a bank, trust company or savings and loan association authorized to do business under the laws of Oregon or the United States, a title insurance company authorized to insure title to real property of this state, its subsidiaries, affiliates, agents or branches, the United States or any agency thereof, or an escrow agent licensed under ORS 696.505 to 696.585.

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.

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 it grantor is a natural person) are for business or commercial purposes other than agricultural

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 constraing 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 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 lian 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. Im m William M. Ganong (If the signer of the above is a corporation, use the form of acknowledgment apposite.) (ORS 93 490) STATE OF OREGON. County of Klamath , 19\_\_\_\_\_ Personally appeared ..... Personally appeared the above named...... duly sworn, did say that the former is the William M. Ganong president and that the latter is the ..... a corporation, and that the seal affixed to the foregoing 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.

Before me: and acknowledged the loregoing instrument to be .... 113 and deed (OFFICIAL Notary PUBLIC OREGON SEAL) Notary Public for Oregon (OFFICIAL My Commission Expires My commission expires: 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 bytyou under the same. Mail reconveyance and documents to ...... DATED: Beneticiary not lase 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) STATE OF OREGON, County of Klamath ss. I certify that the within instrument was received for record on the 5th day of April 1, 1984, Ganong at 3:21 o'clock PM, and recorded in book/reel/volume No. M8+ on SPACE RESERVED FOR Bailie page..5593.....or as document/fee/file/ RECORDER'S USE instrument/microfilm No. 35234 Record of Mortgages of said County. Beneficiary Witness my hand and seal of AFTER RECORDING RETURN TO County affixed. CMC Evelyn Biehn, County Clerk 803 Main Street, Suite 103 Klamath Falls, Oregon 97601

By Fram South Deputy