

The grantor covenants and agrees to and with the beneficiary and those claiming under him, that he is law-fully seized in fee simple of said described real property and has a valid, unencumbered title thereto except Trust Deed recorded May 18, 1977, in Volume M77, page 9775, Microfilm Records of Klamath County, Oregon, in favor of First Federal Savings and Loan Association of Klamath Falls, Oregon, as Beneficiary which Beneficiary herein agrees to hold Grantors harmless therefrom 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) ~~NOT AN AGRICULTURAL PURPOSE, BUT A PERSONAL PURPOSE, AND NOT A BUSINESS OR COMMERCIAL PURPOSE 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 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.

(If the signer of the above is a corporation, use the form of acknowledgment opposite.)

(OPS 93.490)

STATE OF OREGON,

County of Klamath

June 1, 1984

Personally appeared the above named ROBERT O. OSTROM and SUSAN L. OSTROM, husband and wife,

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

(OFFICIAL SEAL)

Notary Public for Oregon

My commission expires: 11/16/87

STATE OF OREGON, County of

, 19

Personally appeared

who, each being first

duly sworn, 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 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:

Notary Public for Oregon

My commission expires:

(OFFICIAL SEAL)

REQUEST FOR FULL RECONVEYANCE

To be used only when obligations have been paid.

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.

TRUST DEED

(FORM No. 881-1)

STEVENS NESS, LAW PUBL. CO., PORTLAND, ORE.

Robert O. & Susan L. Ostrom

Grantor

Allen Leroy & Sara Sue Bird

Beneficiary

AFTER RECORDING RETURN TO

MOUNTAIN TITLE COMPANY, INC.

STATE OF OREGON.

County of

I certify that the within instrument was received for record on the day of 19 at o'clock M., and recorded in book reel volume No. on page or as document fee file instrument/microfilm No. Record of Mortgages of said County.

Witness my hand and seal of County affixed.

By Deputy

EXHIBIT "A"

This Trust Deed is an "All-Inclusive Trust Deed" and is second and subordinate to the Trust Deed now of record dated May 13, 1977, and recorded May 18, 1977, in Volume M77, page 9775, Microfilm Records of Klamath County, Oregon, in favor of First Federal Savings and Loan Association of Klamath Falls, Oregon, as Beneficiary, which secures the payment of a Note therein mentioned. Allen Leroy Bird and Sara Sue Bird, husband and wife, Beneficiary herein agrees to pay, when due, all payments due upon the said Promissory Note in favor of First Federal Savings and Loan Association of Klamath Falls, Oregon and will save Grantors herein, Robert O. Ostrom and Susan L. Ostrom, husband and wife, harmless therefrom. Should the said Beneficiary herein default in making any payments due upon said prior Note and Trust Deed, Grantor herein may make said delinquent payments and any sums so paid by Grantor herein shall then be credited upon the sums next to become due upon the Note secured by this Trust Deed.

The Beneficiary will pay the real property taxes each year, and at such time as Beneficiary provides Mountain Title Company Collection Escrow Department with a paid receipt the taxes will be added back to the balance of this Trust Deed and Note. The Grantors agree to reimburse the Beneficiaries for said taxes within 30 days of date they are added back to the balance of this Trust Deed and Note.

There shall be no prepayment penalty.

STATE OF OREGON: COUNTY OF KLAMATH:ss

I hereby certify that the within instrument was received and filed for record on the 29 day of June A.D., 1984 at 9:06 o'clock A M, and duly recorded in Vol M84, of Mortgages on page 10933.

Fee: \$ 12.00

EVELYN BIEHN, COUNTY CLERK

by: [Signature], Deputy