

UNITED STATES DEPARTMENT OF AGRICULTURE
Farmers Home AdministrationTRUSTEE'S DEED

THIS INDENTURE, made this 26 day of February, 1986 between the Farmers Home Administration, United States Department of Agriculture, acting through the State Director of the Farmers Home Administration for the State of Oregon, hereafter called trustee, and the United States of America, acting through the Farmers Home Administration, hereafter called the second party:

WITNESSETH:

RECITALS:

Genevieve N. Schadle, as grantor(s), executed and delivered to the Farmers Home Administration, United States Department of Agriculture, acting through the State Director of the Farmers Home Administration for the State of Oregon, as trustee, for the benefit of the United States of America, acting through the Farmers Home Administration, United States Department of Agriculture, as beneficiary, a certain trust deed dated March 1, 1982, and recorded March 1, 1982, in Book M-82, Page 2570 of Mortgages, records of Klamath County, Oregon. In and by said trust deed the real property therein and hereafter described was conveyed by said grantor(s) to said trustee to secure, among other things, the performance of certain obligations of the grantor(s) to the said beneficiary as set forth in said trust deed. The said grantor(s) thereafter defaulted in their performance of the obligations secured by said trust deed as stated in the notice of default hereafter mentioned and such default still existed at the time of the sale hereafter described.

By reason of said default, the owner and holder of the obligations secured by said trust deed, being the beneficiary named in said trust deed, or his successor in interest, declared all sums secured by said trust deed immediately due and owing; a notice of said default, containing an election to sell the said real property and to foreclose said trust deed by advertisement and sale to satisfy the obligations of the grantor(s) aforesaid was recorded in the records of said county on August 30, 1985, in Mortgages, Book M-85, Page 13925 to which reference is now made.

After the recording of said notice of default, as aforesaid, the undersigned trustee gave notice of the time for and place of sale of said real property as fixed by him and as required by law; copies of the trustee's said notice of sale were mailed by U. S. registered or certified mail to all persons entitled by law to such notice at their respective last known addresses; the persons named in subsection 1 of Section 86.750 were timely personally served with said notice of sale, all as provided by law and at least 120 days before the day so fixed for said trustee's sale: Further, the trustee published a copy of said notice of sale in a newspaper of general circulation in each county in which the said real property is situated, once a week for four successive weeks, the last publication of said notice occurred at least twenty days prior to the date of such sale. The mailing, service and publication of said notice of sale are shown by one or more affidavits of proofs of service duly recorded prior to the date of sale in the mortgage records of said county, said affidavits and proofs, together with the said notice of default and election to sell and the trustee's notice of sale, being now referred to and incorporated in and made a part of this trustee's deed as fully as if set out herein verbatim. On the date of said notice of sale, the undersigned trustee had no actual notice of any person, other than the persons named in said affidavits and proofs having or claiming a lien on or interest in said described real property subsequent to the interest of the trustee in the trust deed.

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Pursuant to said notice of sale, the undersigned trustee on January 30, 1986, at the hour of 11:00 a.m., of said day, as established by Section 187.110, Oregon Revised Statutes, and at the place so fixed for sale, as aforesaid, in full accordance with the laws of the State of Oregon and pursuant to the powers conferred upon him by said trust deed, sold said real property in one parcel at public auction to the said second party for the sum of \$47,000.00, he being the highest and best bidder at such sale and said sum being the highest and best sum bid for said property.

NOW, THEREFORE, in consideration of the said sum so paid by the second party in cash, the receipt whereof hereby is acknowledged, and by virtue of the authority vested in said trustee by the laws of the State of Oregon and by said trust deed, the trustee does hereby convey unto the second party all the interest which the grantor has or had the power to convey at the time of the execution by him of said trust deed, together with any interest the said grantor or his successors in interest acquired after the execution of said trust deed in and to the following-described real property, to-wit:

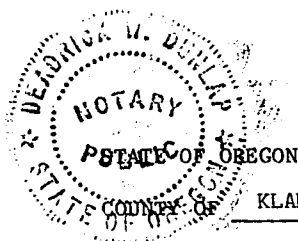
SEE ATTACHED

IN WITNESS WHEREOF, the Government has caused this instrument to be executed this 26 day of February, 1986.

UNITED STATES OF AMERICA

Robert D. Haase

Robert Haase
Successor Trustee
Farmers Home Administration
U.S. Department of Agriculture



ACKNOWLEDGEMENT

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) ss.
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On this 26 day of February, 1986 before me, a notary public in and for said county and state, appeared Robert Haase, known to me to be Successor Trustee, Farmers Home Administration, United States Department of Agriculture, and the person who executed the foregoing instrument, and he acknowledged to me that he executed the same as the free act and deed of the United States of America, for the uses and purposes therein mentioned.

IN WITNESS WHEREOF, I hereunto set my hand and seal at Klamath Falls, Oregon the day and year aforesaid.

Deadrick W. Demery
Notary Public in and for the
State of Oregon

My Commission Expires: 9/21/87

RJ:ATC

The North Half of the West 183.75 feet of the West Half of the South Half of the North Half of the Southeast Quarter of the Southwest Quarter, of Section 1, Township 41 South, Range 10 East of the Willamette Meridian, Klamath County, State of Oregon.

EXCEPTING therefrom that portion lying within Third Street, Lincoln Street or the alley as set out in Deed recorded August 14, 1945 in Volume 196, page 433.

ALSO EXCEPTING therefrom a portion of the North Half of the Southeast Quarter of the Southwest Quarter of Section 1, Township 41 South, Range 10 East, Willamette Meridian, described as follows:

BEGINNING at a point which lies North along the Section line 825 feet from the Southwest corner of the Southeast Quarter of the South west Quarter of Section 1, Township 41 South, Range 10 East, W. M., which point is the Southeast corner of that certain parcel of land described in Deed Book 175, page 345, Records of Klamath County, Oregon thence East 40 feet; which is the True Point of Beginning of the parcel of land herein described and lies on the East boundary line of a dedicated street; thence continuing East along a line parallel to the South line of the said Southeast Quarter of the Southwest Quarter, 135.75 feet to the West line of a dedicated alley, thence North along the West line of said Alley 62.5 feet; thence West, parallel to the South line of said Southeast Quarter of the Southwest Quarter; 135.75 feet, to the East line of the above mentioned Street; thence South along the East line of said Street 62.5 feet, more or less, to the POINT OF BEGINNING.

STATE OF OREGON: COUNTY OF KLAMATH: ss.

Filed for record at request of _____ the 26th day
of February A.D., 19 86 at 3:33 o'clock P M., and duly recorded in Vol. M86
of _____ Deeds on Page 3290

Evelyn Biehn,
By _____

County Clerk

[Signature]

FEE \$13.00