

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) exclusively for grantor's personal, family or household purposes (see Important Notice below);
(b) for the organization, or (even if grantor is a natural person) are for business or commercial 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 to such extent as defined in the Truth-in-Lending Act and Regulation Z, the beneficiary MUST comply with that Act and Regulation by making required disclosures; for its purpose use Stevens-Ness Form No. 1319, or equivalent. If compliance with the Act is not required, disregard this notice.

(If the signer of this document is a corporation, and the form of a corporate seal appears)

STATE OF OREGON,

County of Klamath

This instrument was acknowledged before me on
March 13, 1986, by
Richard McInnis

[Signature]
Notary Public for Oregon
(SEAL) My commission expires: 6-21-88

STATE OF OREGON,

County of

This instrument was acknowledged before me on
19 , by
as
of

Notary Public for Oregon

My commission expires:

(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 evidence 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 therein held by you under the same. Mail reconveyance and documents to

DATE: 19

Beneficiary

(If the loan or document 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 146-1811)

STEVENS-NESS LAW FIRM CO. PORTLAND, ORE.

Richard McInnis

Grantor

Gerald R. Canyon

Gloria A. Cannon

Beneficiary

AFTER RECORDING RETURN TO
ASTEN TITLE & ESCROW, INC.
Collection Department

SPACE RESERVED
FOR
RECORDER'S USE

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 fee/file/instru-
ment/microfilm/reception No.
Record of Mortgages of said County.
Witness my hand and seal of
County affixed.

NAME
By

TITLE

Deputy

EXHIBIT "A"

4347

THIS TRUST DEED IS AN "ALL-INCLUSIVE TRUST DEED" AND IS SECOND AND SUBORDINATE TO THE TRUST DEED NO. OF RECORD DATED AUGUST 7, 1978, AND RECORDED AUGUST 15, 1978 IN BOOK M-78 AT PAGE 17868 IN THE OFFICIAL RECORDS OF KLAMATH COUNTY, IN FAVOR OF KLAMATH FIRST FEDERAL SAVINGS AND LOAN ASSOCIATION, A CORPORATION, AS BENEFICIARY, WHICH SECURES THE PAYMENT OF A NOTE THEREIN MENTIONED. GERALD R. CANNON AND THERESA A. CANNON, HUSBAND AND WIFE, BENEFICIARY HEREIN AGREE TO PAY WHEN DUE, ALL PAYMENTS DUE UPON THE SAID PROMISSORY NOTE IN FAVOR OF KLAMATH FIRST FEDERAL SAVINGS AND LOAN ASSOCIATION, AND WILL SAVE GRANTOR HEREIN, RICHARD MC HARGUE, 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.

R J M

STATE OF OREGON, COUNTY OF KLAMATH ss.

Filed for record at request of _____ the 14th day
 of March A.D. 1986 at 2:46 o'clock P.M., and duly recorded in Vol. M86
 of Marriage on Page 4345
 By Evelyn Biehn, County Clerk *[Signature]*

FEE \$13.00