

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:
 (b) **for an 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 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 use Stevens-Ness Form No. 1319, 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.)

STATE OF OREGON,

County of KLAMATH

This instrument was acknowledged before me on
DECEMBER 28, 1987, by

TERRY D. SHERRILL AND
JANET R. SHERRILL

Notary Public for Oregon
My commission expires: 12-13-91

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.

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 by you under the same. Mail reconveyance and documents to

DATED:

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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)

STEVENS-NESS LAW PUB. CO., PORTLAND, ORE.

Grantor

Beneficiary

AFTER RECORDING RETURN TO

SOUTH VALLEY STATE BANK
5215 SOUTH SIXTH STREET
KLAMATH FALLS, OR 97603

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/instrument/microfilm/reception No. Record of Mortgages of said County.

Witness my hand and seal of County affixed.

By **Deputy**

EXHIBIT "A"

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DESCRIPTION OF PROPERTY

The following described real property situate in Klamath County, Oregon:

PARCEL 1:

Lots 1, 2, 3, 4 and 5 in Block 106, Klamath Addition to the City of Klamath Falls, EXCEPT THEREFROM any portion of Lot 5 conveyed to the City of Klamath Falls.

PARCEL 2:

An irregular tract of land located in Government Lots 3 and 10, Section 32, Township 38 South, Range 9 East of the Willamette Meridian, more particularly described as follows:

Commencing at the East quarter corner of Section 32, Township 38 South, Range 9 East of the Willamette Meridian; thence South 69°36' West a distance of 38.1 feet to a point on the Southeasterly line of Kinlock St.; thence South 38°56' West along said Southeasterly line of Kinlock St. a distance of 16.47 feet to the true point of beginning; thence South 10°46½' West 246.59 feet, more or less, to its intersection with the Westerly line of Fifth Street in Klamath Falls, Oregon, if extended; thence North 51°04' West a distance of 116.51 feet, more or less, to the intersection of said Westerly line of Fifth St. and the Southeasterly line of Kinlock St; thence North 38°56' East a distance of 217.33 feet, along the said Southeasterly line of Kinlock St., to the point of beginning. EXCEPTING that part lying Northerly of the South line of South Fifth Street.

Beginning at the intersection of the centerline of Fifth Street and the Southeasterly line of Kinlock Street, as shown on the plat of Klamath Addition to the Town of Linkville, now Klamath Falls, on file in the office of the County Clerk, Klamath County Courthouse; thence North 51°04' West along said centerline, a distance of 19.0 feet to a point, said point being the point of tangency of a curve concave to the East and having a radius of 30.00 feet, a radial line to said point bearing South 38°56' West; thence Northerly along said curve a distance of 47.12 feet to a point on the Southwesterly line of Lot 6, Block 106 of said Klamath Addition, a radial line to said point bearing North 51°04' West; thence South 51°04' East along the Southwesterly line of said Lot 6 to the Southwest corner of said Lot 6; thence North 38°56' East, a distance of 19.06 feet along the Southeasterly line of said Lot 6 to a point on the Southerly right of way line of the Klamath Falls-Lakeview Highway as relocated, said right of way being on a curve concave to the North having a radius of 316.48 feet and a central angle of 25°28'23"; thence Southeasterly along said curve right of way line a distance of 49 feet, more or less, to its intersection with the Southeasterly line of Kinlock Street; thence South 38°56' West along said Southeasterly line a distance of 86 feet, more or less, to the point of beginning.

A tract of land situated in Lot 6, Block 106 of Klamath Addition to the Town of Linkville, now Klamath Falls, described as follows:

Beginning at the most Southerly corner of Lot 6, Block 106 of Klamath Addition to the Town of Linkville; thence North $51^{\circ}04'$ West along the Southwesterly line of said Lot 6, a distance of 14.00 feet to a point; thence North $38^{\circ}56'$ East a distance of 7.42 feet to a point on a curve concave to the North having a radius of 316.48 feet, a radial bearing to said curve at said point being South $00^{\circ}50'10''$ West; thence Easterly along said curve, a distance of 18.21 feet to a point on the Southeasterly line of said Lot 6, a radial bearing to said curve at said point being South $2^{\circ}27'39''$ East; thence South $38^{\circ}56'$ West along said Southeasterly line a distance of 19.06 feet to the true point of beginning.

PARCEL 3:

Commencing at the Northwest corner of Section 3, Township 39 South, Range 9 E.W.M., Klamath County, Oregon, and running thence South $0^{\circ}00\frac{1}{2}'$ East 826.8 feet, more or less, along the West line of said Section 3 to its intersection with a line parallel to and 75.0 feet distant from (when measured at right angles to) the center line of Klamath Falls-Lakeview Highway (also known as South Sixth Street); thence South $55^{\circ}52\frac{1}{2}'$ East, parallel to said center line of South Sixth Street, 601.2 feet, more or less, to the true point of beginning of this description; thence North $34^{\circ}07\frac{1}{2}'$ East a distance of 175 feet; thence North $55^{\circ}52\frac{1}{2}'$ West 126 feet; thence South $34^{\circ}07\frac{1}{2}'$ West 175 feet; thence South $55^{\circ}52\frac{1}{2}'$ East 126 feet to the point of beginning.

STATE OF OREGON: COUNTY OF KLAMATH: ss.

Filed for record at request of South Valley State Bank
of January A.D., 19 88 at 12:36 o'clock P M., and duly recorded in Vol. M88 day
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FEE \$20.00

By Evelyn Biehn, County Clerk