

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) for an individual, or (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 (c) 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 acknowledgement opposite.)

STATE OF OREGON,

County of Klamath } ss.

This instrument was acknowledged before me on

JANUARY 8, 1938, by

E. J. CLOUGH, III

Elmer L. Hinchey
(SEAL) Notary Public for Oregon
My commission expires: 2-12-91

STATE OF OREGON,

County of } ss.

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:

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:

19

Beneficiary

TRUST DEED

(FORM No. 601)

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

E. J. CLOUGH, III

Grantor

SOUTH VALLEY STATE BANK

Beneficiary

AFTER RECORDING RETURN TO

SOUTH VALLEY STATE BANK

5215 SOUTH SIXTH STREET

KLAMATH FALLS, OR 97603

STATE OF OREGON,

County of } ss.

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"
LEGAL DESCRIPTION

PARCEL 1:

A tract of land in the Northwest Quarter of the Northwest Quarter of Section 10, Township 39 South, Range 9 East of the Willamette Meridian, in the County of Klamath, State of Oregon, more particularly described as follows:

Beginning at the Southwest corner of the Northwest Quarter of the Northwest Quarter of Section 10; thence Northerly, along the division line between Sections 9 and 10, a distance of 398.0 feet to a point; thence South 89 degrees 33' 15" East a distance of 62.53 feet, more or less, to the East boundary line of Washburn Way, being the True Place of Beginning; thence Northerly along the East boundary line of Washburn Way a distance of 350.0 feet; thence South 89 degrees 33' 15" East a distance of 300.0 feet; thence Southerly along a line parallel to the East boundary of Washburn Way a distance of 350.0 feet; thence North 89 degrees 33' 15" West a distance of 300.0 feet to the point of beginning, as shown on survey by Dortch-Gredel and Associates, filed in the office of the Klamath County Surveyor on November 7, 1975, as recorded Survey No. 2182.

SAVING AND EXCEPTING THEREFROM the South 190 feet thereof.

PARCEL 2:

A tract of land situated in the NW1/4 of the NW1/4 of Section 10, Township 39 South, Range 9 East of the Willamette Meridian, being more particularly described as follows:

Beginning at a point that is East a distance of 30 feet and North 0 degrees 34' West a distance of 398 feet from the Southwest corner of the NW1/4 of the NW1/4, said point being the Southwest corner of said parcel in Deed Volume M73, page 10206; thence East along the South line of said parcel 300 feet, being the Southeast corner of said Deed and the true point of beginning; thence continuing East 322.30 feet; thence North 0 degrees 34' West 350 feet; thence West 322.30 feet to the Northeast corner of said parcel in Deed Volume M73, page 10206, thence Southerly along the Easterly line of said parcel 350 feet more or less to the point of beginning.

EXCEPTING THEREFROM that portion awarded to Charles W. Pickett, et al, by judgment filed May 2, 1984 in Klamath County Circuit Court Case No. 82-144.

STATE OF OREGON: COUNTY OF KLAMATH: ss.

Filed for record at request of South Valley State Bank
of February A.D., 19 88 at 3:48 o'clock P M., and duly recorded in Vol. M88 day
of Mortgages on Page 1539

FEE \$15.00

Evelyn Biehn, County Clerk
By Phm Smith