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PETER C. MAC FARLANE and OBDULIA S. MAC FARLANE, husband and wife as Grantor, ASPEN TITLE & ESCROW, INC., an Oregon Corporation as Grantor, ASPEN CITLE & ESCHOW, INC., an Okegon Corporation

MARK J. MAC FARLANE and MARGO L. MAC FARLANE, husband and wife with full rights of survivorship

as Trustee, and

as Beneficiary,

Grantor irrevocably grants, bargains, sells and conveys to trustee in trust, with power of sale, the property in Klamath County, Oregon, described as: Lot 9, Block 2, KELENE GARDENS, in the County of Klamath, State of Oregon.

THIS TRUST DEED IS A SECOND TRUST DEED AND IS BEING RECORDED SECOND AND JUNIOR TO A CONTRACT OF SALE IN FAVOR OF THE STATE OF OREGON, BY AND THROUGH THE DIRECTOR OF

together with all and singular the tenements, hereditaments and appurtenances and all other rights thereunto belonging or in anywise tion with said real estate.

FOR THE PURPOSE OF SECURING PERFORMANCE of each agreement of grantor herein contained and payment of the sum of \$4,143.20)

Dollars with interest thereon according to the terms of a recovery

note of even date herewith, payable to beneficiary or order and made by grantor, the final payment of principal and interest hereof, if note of even date herewith, payable to beneficiary or order and made by grantor, the final payment of principal and interest hereof, it follows the date of maturity of the debt secured by this instrument is the date, stated above, on which the final installment of said note then, at the beneficiary's option, all obligations secured by this instrument, it is above, on which the final installment of said note herein, shall become immediately due and payable.

To protect the security of this trust deed denitor agrees.

The date of maturity of the debt secured becomes due and payable. In the event the within described proposed, assigned or oliverated by the stanfor without first then, at the benediciary's option, all obligations secured by the instruction, at the benediciary's option, all obligations secured by the instruction of the commendated of the stanfors and payable.

To protect the security of this trust deed, fantor agrees, and repair not to remove and manners and deed, fantor agrees, and repair not to remove and manners and deed, fantor agrees, and repair not to remove any wasters and property in good condition manner any building e or restore stand property and the comment any building e or restore that any building food and continues any building exported the standard of the comment of the comm

pellate court shall adjudge reasonable as the beneficiary's or trustee's attorpellate court shall adjudge reasonable as the beneficiary's or trustee's attorit is mutually agreed that:

8. In the event that any portion or all of said property shall be taken
under the right of eminent domain or condemnation, beneficiary shall have the
constant of the monitory shall have the
second of the monitory shall have the
second of the monitory shall have the
copy all teasonable costs, expense and attorns a few necessarily frequired
pupiled by it first upon any reasonable costs and spiral to beneficiary and
the property of the standard property; (b) join in

on franting any easement or creating any restriction thereon; (c) join in any subordination or other affeciment allecting this deed or the lien or charge the subordination or other affeciment allecting this deed or the lien or charge the subordination of the su

together with trustee's and attorney's lees not exceeding the amounts provided by law.

14. Otherwise, the sale shall be held on the date and at the time and place designated in the notice of sale or the time to which said sale may be postponed as provided by law. If the trustee may sell said property either in one parcel or in separate parcels and shall may sell said property either the property so sold, but without any covenant or warranty, express or implied. The recities in the deed in form a required by a conveying the trustee the property so sold, but without any covenant or warranty, express or implied. The recities in the deed in form a required by a conveying the trustee the property so sold, but without any covenant or warranty, express or implied. The recities in the deed in form a required by enclusive proof the truthfulness thereof. Any person, excluding the trustee, but including the grantor and beneficiary, may person, excluding the trustee, but including shall apply the proceeds of sale sursuant to the powers provided herein, trustee along the compensation of the trustee and a (1) the expressed of sale, in clarify the compensation of the trustee and a trust deed, (3) to all persons unputs, it is interest a may appear in the order of the trustee in the first surplus, it is trusteen to the property in the trust aurely. Surplus in the trust or to his successor in interest entitled to such sors to any trustee entitled to such

if any, to the granter or to his successor in interest entitled to such 16. Beneficiary may from time to time appoint a successor or successor such appointment, and without conveyance of the successor such appointment, and without conveyance of the successor such appointment, and without conveyance of the successor such appointment with all fifte, powers and duties conferred with the property in the mortgage records of the country of the successor successor successor successor such appointment when recorded in the mortgage records of the country or counties in the property is situated, shall be conclusive proof of proper appointment successor trustee.

which, when recorded in the mortisale records of the county or counties in which the property is situated, shall be conclusive proof of proper appointment of the successor trustee accepts this trust when this deed, duly executed and acknowledged is made a public record as provided by law. Trustee is not trust or of any action or proceeding in bending sale under any other deed in the shall be a party unless such action or proceeding is brought by trustee.

NOIE: The Trust Deed Act provides that the trustee he eunder must be either an attorney, who is an active member of the Oregon State Bar, a bank, trust company property of this state, its subsidiaries, affiliates, agents or branches, the United States or any agency thereof, or an escrow agent licensed under ORS 695.505 to 696.535.

The grantor covenants and egrees 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 delend 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 or household purposes (see Important Notice below).

(b) for an organization, or (even it 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 constraing 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 setthis 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 baneficiary MUST comply with the Act and Regulation by making required disclosures; for this purpose use Stevens Nors 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, STATE OF OREGON, County of Klamath County of instrument was acknowledged before me on This instrument was acknowledged before me on February 12 19.88, by Perer C. MacFarlane and Obdulia S. MacFarlane :... 5 MAON Nictary Public for Oregon Notary Public for Oregon (SEAL) (SEAR) ... My commission expires: /-/5 90 My commission expires: 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 stututo, 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 d gasaring managan DATED: AND THE STATE OF THE STA Beneficiary Do not less 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. constitution of the second of the following of the contract of the contract of the contract of

TRUST DEED [FORM NO. 881] STEVENS. NESS LAW PUB. CO. PORTI AND ORE. (1)	
Peter C. MacFarlane	
Dodulia S. MacFarlana	SPACE RESERVED
Grantor	FOR
Mark J. MacFarlane Margo L. MacFarlane	
Beneficiary	

the court of the state of the SPACE RESERVED FOR RECORDER'S USE i didayi diberiyi be

STATE OF OREGON, County of Klamath I certify that the within instrument was received for record on the 16th day of February 1988, at 3:30 o'clock PM., and recorded in book/reel/volume No. M88 on page 2216 or as fee/file/instrument/microfilm/reception No. 84407..., Record of Mortgages of said County. Witness my hand and seal of

County affixed.

Evelyn Biehn, County Clerk m Smill Deputy

HINDRE T RED ____Fee:_\$10.00

न्तुराहरताच्या बुद्दा रहीत् सम्बद्धाः सम्बद्धाः स्वीतस्था

911 Eldorado

Mark MacFarlane

Klamath Falls, OR 97601

AFTER RECORDING RETURN TO