

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 except Trust Deed recorded February 23, 1983, in Volume M83, page 2794, Microfilm Records of Klamath County, Oregon, in favor of Klamath First Federal Savings & Loan Association, as Beneficiary, which the Grantor herein does not agree to assume nor pay and the Beneficiary and that he will warrant and forever defend the same against all persons whomsoever. /herein agrees to hold /the Grantor harmless /therefrom.

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) xxxxxx

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 acknowledgement opposite.)

STATE OF OREGON,)
County of Klamath) ss.
This instrument was acknowledged before me on
February 23, 1989, by

STEVEN PETTIT

(SEAL)

My commission expires: 11/16/91

Notary Public for Oregon

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

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.

STEVEN PETTIT

2125 Auburn

Klamath Falls, OR 97601

Grantor

DAVID LEE JARSCHKE and CAROLYN JOAN JARSCHKE

839 NE Jones

Bend, OR 97701

Beneficiary

AFTER RECORDING RETURN TO
MOUNTAIN TITLE COMPANY OF
KLAMATH COUNTY

SPACE RESERVED
FOR
RECORDER'S USE

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.

NAME

TITLE

By Deputy

EXHIBIT "A"

This Trust Deed is an "All-Inclusive Trust Deed" and is second and subordinate to the Trust Deed now of record dated February 22, 1983, and recorded February 23, 1983, in Volume M83, page 2794, Microfilm Records of Klamath County, Oregon, , in favor of Klamath First Federal Savings and Loan Association, as Bneeficiary, which secures the payment of a Note therein mentioned.

DAVID LEE JARSCHKE and CAROLYN JOAN JARSCHKE, husband and wife, Beneficiary herein agrees 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, STEVEN PETTIT, harmless therefrom.

Should the said Beneficiary herein default in making any payments due upon siad 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.

The Beneficiary named herein shall present a real property tax receipt marked "paid" each year to the Collection Escrow Agent, Mountain Title Company of Klamath County, and the real property tax amount shall be added back to the balance of this Trust Deed and Note secured therein.

STATE OF OREGON: COUNTY OF KLAMATH: ss.

Filed for record at request of Mountain Title Co. the 23rd day
of Feb. A.D., 19 89 at 3:25 o'clock P.M., and duly recorded in Vol. M89,
of Mortgages on Page 3331.

Evelyn Biehn County Clerk

FEE \$18.00

By Douglas Mulenbarger