

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 dated January 16, 1984 and recorded January 21, 1984 in Volume M84, page 1113, Microfilm Records of Klamath County, Oregon, wherein the beneficiary is Klamath First Federal S & L. The Buyer does not agree to assume and pay in full. 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)* primarily for grantor's personal, family or household purposes (see Important Notice below),
 (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.

David E. Walton
 DAVID E. WALTON
Dawna M. Walton
 DAWNA M. WALTON

STATE OF OREGON, County of Klamath) ss.

This instrument was acknowledged before me on July 8, 1991
 by David E. Walton and Dawna M. Walton

This instrument was acknowledged before me on _____, 19____,
 by _____

as _____
 of _____

Nancy M. Minniss
 My commission expires 6/8/92 Notary Public for Oregon

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.

David & Dawna Walton

Grantor

Harry & Helen Crosby

Beneficiary

SPACE RESERVED
 FOR
 RECORDER'S USE

AFTER RECORDING RETURN TO
 Klamath First Federal S&L
 540 Main Street
 Klamath Falls, OR
 (Collection Escrow)

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 which was recorded on 01/21/84, in Volume M84, Page 1113, Microfilm Records of Klamath County, Oregon, in favor of KLAMATH FIRST FEDERAL SAVINGS & LOAN, as Beneficiary, which secures the payment of a Note therein mentioned.

The Beneficiary, named herein, agrees to pay, when due, all payments due upon the said Promissory Note recorded in favor of KLAMATH FIRST FEDERAL SAVINGS & LOAN, and will save the Grantors herein harmless 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 the Grantor herein shall then be credited upon the sums next to become due upon the Note secured by this Trust Deed.

Grantors shall add to their regular monthly payment 1/12th of the real property taxes. Each year the Beneficiary shall pay the real property taxes, beginning with the 91-92 fiscal year, and upon presentation of paid tax receipt to the Collection Escrow Agent, said real property taxes shall be added back to the balance of this Note secured by an All-Inclusive Trust Deed.

It is the sellers responsibility to promptly deliver paid tax receipt to Klamath First Federal S&L Collection Escrow Department. Klamath First Federal will not be liable for incorrect payoffs due to Sellers not adding back taxes.

STATE OF OREGON: COUNTY OF KLAMATH: ss.

Filed for record at request of Mountain Title Co. the 8th day
of July A.D., 19 91 at 4:15 o'clock P.M., and duly recorded in Vol. M91,
of Mortgages on Page 12969.

Evelyn Biehn . County Clerk

FEE \$18.00

By Dorlene Mauldin