It 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 task, it is so elects, to require that all or any portion of the monies payable right, it is so elects, to require that all or any portion of the monies payable rops, all reasonable costs, expenses and attorness less necessarily paid or pay all reasonable costs, expenses and attorness less necessarily paid or neutred by grantor in such proceedings, shall be noid to beneficiary and incurred by the payable of the reasonable costs and expenses and attorness less necessarily paid or incurred by beneficiary and applied by it lists upon any reasonable costs and paid or incurred by beneficiary in such proceedings, and the balance applied upon the indebtedness secured hereby; and grantor agrees, at its own expense, to take such actions and excute such instruments as shall be necessary in obtaining such compensation, promptly upon beneficiary's request, pensation, promptly upon beneficiary's request, pensation, promptly upon beneficiary's request, pensation, promptly upon beneficiary is request, encountered the tense of the reconveyances, for cancellation), without affecting endorsement (in case of full reconveyances, for cancellation), without affecting the liability of any person for the payment of the indebtedness, truster may the liability of any person for the payment of the indebtedness, truster may the liability of any person for the payment of the indebtedness, truster may the liability of any person for the payment of the indebtedness, truster may the liability of any person for the payment of the indebtedness, truster may the liability of any person for the payment of the indebtedness.

and expenses actually incurred in enforcing the obligation of the trust deed todether 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. The trustee may sell said property either be postponed as provided by law. The trustee may sell said property either be postponed as provided by law. The trustee may sell said property either be postponed as provided by law. The trustee may sell said property either be not provided by law. The trustee may sell said property either be not provided for cash, payable at the time of ale. Trustee auction for the property either to the purchaser its deed in form as required by law conveying shall deflect to the purchaser its deed in form as required by law conveying shall deflect to the purchaser its deed in form as required by law conveying the frantor and beneficiary may purchase at the sale provided herein trustee shall apply the proceeds of sale to payment of the power of the surface of the sale to payment of 11. the expense of sale, mattering (2) to the obligation secund as an absorbable charle by trustee attorney, (2) to the obligation secund as the trust deed, (3) to all persons having recorded liens subsequent to the sale of their provinty and (4) the surplus.

16. Beneficiary may from time to time appoint a successor of successor trustee amounder. Upon such appointment, and without conversance to the successor trustee appointment and without conversance to the successor trustee amounder. When shall be usade by written instrument executes by beneficiary, and substitution shall be usade by written instrument executes by beneficiary and substitution shall be made by written instrument executes by beneficiary which, where recorded in the mortfage records of the courts or counties in which the property is situated, shall be conclusive provided by law. Trustee is not obligated to

NOTE: The Trust Deed Act provides that the trustee hermunder must be either an attorney, who is an active member of the Oregon State Bar, a bank, trust company or solvings and loan association authorized to do business under the laws of Oregon or the United States, a title insurance company authorized to insure title to real property of this state, its subsidiaries, agents or branches, the United States or any agency thereof, or an estrow agent licensed under CRS 655.505 to 655.505.

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 Mortgage dated November 6, 1990, and recorded December 14, 1990, in Volume M90, page 24744, Microfilm Records of Klamath County, Oregon in favor of Farm Credit Bank of Spokane, a corporation, as Mortgagee 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:

for x note and this trust deed are:

for x note and x note and x note and this x note are to business or commercial purposes.

(b) for an organization, or (even il 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 leminine 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. collins male LINDA COLLINS STATE OF OREGON, County of Klamath)ss. This instrument was acknowledged before me on July 12, 19.91, CLYDE COLLINS and LINDA COLLINS by as of ot ... Notary Public for Oregon 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 TO: 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: 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. STATE OF OREGON, TRUST DEED County of I certify that the within instrument (FORM No. 881) STEVENS-NESS LAW PUB. CO., PORTLAND, ORL was received for record on theday, 19....., of CLYDE COLLINS & LINDA COLLINS in book/reel/volume No. on SPACE RESERVED or as fee/file/instru-Grantor ment/microfilm/reception No. FOR JOHN D. ALARCON and DARLENE ALARCON RECORDER'S USE Record of Mortgages of said County. 5431 Tingley Lane Witness my hand and seal of Klamath Falls, OR 97603 County affixed. Beneficiary AFTER RECORDING RETURN TO TITLE MOUNTAIN TITLE COMPANY OF KLAMATH COUNTY Deputy * . 4

EXHIBIT "A" LEGAL DESCRIPTION

PARCEL 1

A parcel of land located in portions of Sections 31 and 32, Township 38 South, Range 11 1/2 East of the Willamette Meridian, and Section 5. Township 39 South, Range 11 1/2 East of the Willamette Meridian, Klamath County, Oregon, being more particularly described as follows:

Beginning at a point on the West line of Section 32, Township 38 South, Range 11 1/2 East of the Willamette Meridian, Klamath County, Oregon from which point the Southwest corner of said Section 32 bears South 0 degrees 39' 08" West 173.01 feet distant; thence North 0 degrees 30' 08" East 1130.97 feet to the South 1/16 corner common to Sections 31 and 32; thence North 89 degrees 23' 45" West 1324.66 feet to the Southeast 1/16 corner of Section 31; thence along the 1/16 Section line North 0 degrees 31' 29" East 1821.16 feet to the Southerly right of way line of the O.C.& E. Railroad; thence along said right of way line South 89 degrees 51' 30" East 1323.97 feet to its intersection with the West line of Section 32; thence North \emptyset degrees 30' 08" East 100.00 feet to the Northerly right of way line of the O.C.&E. Railroad; thence along said right of way line South 89 degrees 51' 30" East 238.48 feet; thence, leaving said right of way line, North 0 degrees 58' 27" West 663.55 feet to a point on the Southerly right of way line of State Highway 140; thence along said right of way line North 87 degrees 48' 03" East 74.28 feet; thence 233.07 feet along the arc of a 5699.58 foot radius curve to the right, the long chord of which bears North 88 degrees 58' 20' East 233.04 feet; thence South 89 degrees 51' 22" East 793.02 feet; thence North 89 degrees 57' 40" East 3972.46 feet to a point on the East line of Section 32; thence, leaving said highway right of way line, South 0 degrees 38' 57" West along the East line of Section 32 3388.87 feet to a point; thence, along an existing fence line, South 79 degrees 47' 33" West 451.44 feet; thence South 69 degrees 53' 43" West 797.73 feet; thence South 40 degrees 15' 25" West 236.92 feet; thence South 5 degrees 08' 47" West 253.49 feet to a point in an existing fence line; thence, along said fence line, South 22 degrees 34' 24" West 384.64 feet; thence South 51 degrees 14' 35" West 528.50 feet; thence South 74 degrees 03' 10" West 284.95 feet; thence North 76 degrees 10' 34" West 256.59 feet; thence North 52 degrees 15' 26" West 201.63 feet; thence North 84 degrees 32' 50" West 574.37 feet; thence leaving said thence North 84 degrees 32 30 Nest 374.37 Leet; thence North 77 fence line, North 50 degrees 17' 38" West 319.51 feet; thence North 77 degrees 13' 10" West 222.13 feet; thence South 87 degrees 22' 56" West 173.85 feet to a point in a North-South fence line; thence along said North-South fence line, North 0 degrees 16' 05" East 711.54 feet to the center of an East-West ditch; thence along the center line of said ditch and the Westerly extension thereof, North 89 degrees 34' 20" West 1472.26 feet to the point of beginning. EXCEPTING THEREFROM that portion lying within the right of way of the O.C.& E. Railroad.

PARCEL 2

A portion of Section 32, Township 38 South, Range 11 1/2 East of the Willamette Meridian, Klamath County, Oregon, more particularly described as follows:

Beginning at a point on the West line of Section 32 at its intersection with the Northerly right of way line of the O.C. & E. Railroad, from which point the 1/4 corner common to Sections 31 and 32 bears South 0 degrees 30' 08" West, 627.87 feet distant; thence along the section line North 0 degrees 30' 08" East 654.38 feet to a point on the Southerly right of way line of Highway 140; thence along said right of way line North 87 degrees 48' 03" East 221.63 feet; thence leaving said right of way line South 0 degrees 58' 27" East 663.55 feet to a point on the Northerly right of way line of the O.C.&E. feet to a point on said right of way line North 89 degrees 51' 30" West 238.48 feet to the point of beginning.

EXHIBIT "B"

This Trust Deed is an All Inclusive Trust Deed and is second and subordinate to the Mortgage now of record dated November 6, 1990, and recorded on December 14, 1990, in Volume M90, page 24744, Microfilm Records of Klamath County, Oregon, in favor of Farm Credit Bank of Spokane, a corporation, as Mortgagee which secures the payment of a Note therein mentioned.

JOHN D. ALARCON and DARLENE ALARCON, husband and wife, Beneficiary herein agrees to pay, when due, all payments due upon the said Promissory Note in favor of Farm Credit Bank of Spokane, a corporation, and will save Grantors herein, CLYDE COLLINS and LINDA COLLINS, husband and wife, harmless therefrom.

Should the said Beneficiary herein default in making any payments due upon said prior Note and Mortgage, 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.

TATE O	F OREGON:	COUNTY OF K	LAMATH:	SS.
TATE OI	F OREGON:	COUNTY OF K	LAMAIH:	

Filed	for record at reques	t of	Mountain Title	Co.		ne151	
of	July	A.D., 19	91_ at2:16	o'clock PM.	, and duly record	ed in Vol1	<u> 191</u> ,
0,		of	Mortgages	on Page	<u>13753</u>	•	
				Evelyn Bi	ehn - County	Clerk	
FEE	\$23.00			By <u>Q</u> /	Welen Mu	elendore	