

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 the purpose of securing the loan represented by the above described note and this trust deed~~
 (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.

Clyde Collins
 CLYDE COLLINS

Linda Collins
 LINDA COLLINS

STATE OF OREGON, County of Klamath) ss.
 This instrument was acknowledged before me on July 12, 1991,
 CLYDE COLLINS and LINDA COLLINS
 This instrument was acknowledged before me on _____, 19____,
 by _____
 as _____
 of _____
Kristi L. Redd
 Notary Public for Oregon
 My commission expires 11/16/91

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.

CLYDE COLLINS & LINDA COLLINS

Grantor

JOHN D. ALARCON and DARLENE ALARCON
 5431 Tingley Lane
 Klamath Falls, OR 97603

Beneficiary

AFTER RECORDING RETURN TO
 MOUNTAIN TITLE COMPANY OF
 KLAMATH COUNTY

SPACE RESERVED
 FOR
 RECORDER'S USE

STATE OF OREGON,) ss.
 County of _____

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

x

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 0 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 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.

x

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. Railroad; thence along said right of way line North 89 degrees 51' 30" West 238.48 feet to the point of beginning. *C.F.C.*

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. *CC/LC.*

STATE OF OREGON: COUNTY OF KLAMATH: ss.

Filed for record at request of Mountain Title Co. the 15th day
of July A.D. 19 91 at 2:16 o'clock PM. and duly recorded in Vol. M91
of Mortgages on Page 13753.

FEE \$23.00

Evelyn Biehn - County Clerk

By *Pauline Mullendore*