THIS TRUST DEED, made this 21ST day of OCTOBER ,19 91 , bet MAITHEW BIAGGI AND KIMBERLY BIAGGI, AS TENANTS BY THE ENTIRETY as Grantor, WILLIAM P BRANDSNESS SOUTH VALLEY STATE BANK

WITNESSETH:

Grantor irrevocably grants, bargains, sells and conveys to trustee in trust, with power of sale, the property in KLAMATH County, Oregon, described as:

SEE ATTACHED EXHIBIT "A" BY THIS REFERENCE MADE A PART HERETO.

together with all and singular the tenements, hereditaments and appurtenances and all other rights thereunto belonging or in anywise now or hereafter appertaining, and the rents, issues and profits thereof and all fixtures now or hereafter attached to or used in connection with said real estate.

itn said real estate.
FOR THE PURPOSE OF SECURING PERFORMANCE of each agreement of grantor herein contained and payment of the of SIXTY-TWO THOUSAND THREE HUNDRED EIGHTY-SIX AND NO/100---(\$62,386.00)------

note of even date herewith, payable to beneficiary or order and made by grantor, the final payment of principal and interest hereof, it not sooner paid, to be due and payable OCTOBER 25, 1994 WITH RIGHTS TO FUTURE ADVANCES AND RENEWALS. The date of maturity of the debt secured by this instrument is the date, stated above, on which the linal installment of said note becomes due and payable. In the event the within described property, or any part thereof, or any interest therein is sold, agreed to be becomes due and payable. In the event the within described property, or any part thereof, or any interest therein is sold, agreed to be sold, conveyed, assigned or alienated by the grantor without first having obtained the written consent or approval of the beneficiary, sold, conveyed, assigned or alienated by the grantor without first having obtained the written consent or approval of the beneficiary, then, at the beneficiary's option, all obligations secured by this instrument, irrespective of the maturity dates expressed therein, or herein, shall become immediately due and payable.

To protect the security of this trust docd.

sold, conveyed, assigned or alienated by the grantor without first he then, at the beneficiary's option, all obligations secured by this instru herein, shall become immediately due and payable.

To protect the security of this trust deed, grantor agrees:

1. To protect, preserve and maintain said property in good condition and repair; not to remove or demolish any building or improvement thereon; not to commit or permit any waste of said property and in good and workmanlike manner any building or methement which may be constructed, damaged or destroyed from the property with all laws, ordinances, regulations, covenants, conditions and restrictions affecting said property; if the beneficiary so requests, to ioni in executing such inancing statements pursuant to the Uniform Commercial Code as the beneficiary may require and to pay for lining same in made proper public office or offices, as well as the cost of all flere emerces by the beneficiary may require and to pay for lining same in made by ilining officers or searching agencies as may be deemed desirable by the beneficiary may require and to pay for lining same in an amount of the control of the said premises against loss or damage by fire now or hereafter erected on the said premises against loss or damage by fire and such other has than \$ FUIL AMOUNTS.

4. To provide and continuously maintain insurance on the buildings and such other has than \$ FUIL AMOUNTS.

4. To approve the same of the pay from time to time require, in an amount exceptable to the beneficiary and for the control of the same of the pay from time to time require, in an amount exceptable to the beneficiary selection of any policy of insurance now or hereafted and pay and in such other expiration of any policy of insurance now or hereafted any selection of any policy of insurance now or hereafted and the same payment the entire and the selection of the selection of the same and the charges that may be applied by beneficiary upon any indebtedness of beneficiary that any suit for the selection

It is mutually agreed that:

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 right of eminent domain or condemnation to the monies payable right; if it so elects, to require that all or any portion of the monies payable as compensation for such taking, which are in excess of the amount required so compensation for such taking, which are in excess of the amount required as compensation for such taking, which are in excess of the amount required as compensation for such proceedings, shall be paid to benediciary and incurred by granter in such proceedings, and the balance applied upon the indebtedness secured hereby; and granter agrees, at its own expense, to take such actions and execute such instruments as shall be necessary in obtaining such compensation, promptly upon beneficiary's request.

9. At any time and from time to time upon written request of beneficiary, payment of its less and presentation of this deed and the note for inclary, payment of its less and presentation of this deed and the note for inclary, payment of its less and presentation of this deed and the note for inclary, payment of its less and presentation of the indebtedness, trustee may the liability of any person for the payment of the indebtedness, trustee may (a) consent to the making of any map or plat of said property; (b) join in

granting any easement or creating any restriction thereon; (c) join in any subordination or other agreement affecting this deed or the lien or charge thereof; (d) reconvey, without warranty, all or any part of the property. The grantee in and reconveyance may be described as the "person or persons grantee in and reconveyance may be described as the "person or persons in gally entitled thereto!" and the recitals therein of any matters or lacts shall be conclusive proof of the truthfulness thereof. Trustee's fees for any of the services mentioned in this paragraph shall be not less than \$5.

10. Upon any default by grantor hereunder, beneficiary may at any time without notice, either in person, by agent or by a receiver to be appointed by a court, and without regard to the adequacy of any security for the indebtedness hereby secured, enter upon and take possession of said profite eity or any part thereof, in its own name sue or otherwise collect the rents, issues and expenses of operation and collection, including reasonable attorney's fees upon any indebtedness secured hereby, and in such order as beneficiary may determine.

11. The entering upon and toking possession of said property, the collection of such rents, issues and profits, or the proceeds of lire and other insurance policies or compensation or awards for any taking or damage of the property, and the application or release thereof as aloresaid, shall not cure or waive any default or notice of default hereunder or invalidate any act done pursuant to such notice.

12. Upon default by grantor in payment of any indebtedness secured hereby, in his nevitargement for any shearment for each time heind of the healty or in his nevitargement for any indebtedness secured hereby in his nevitargement.

property, and the application of recease thereof as discussional property, and the application of default hereunder or invalidate any act done pursuant to such notice.

12. Upon default by grantor in payment of any indebtedness secured hereby or in his performance of any agreement hereunder, time being of the sesence with respect to such payment and/or performance, the beneficiary may declare all sums secured hereby immediately due and payable. In such an declare all sums secured hereby immediately due and payable. In such an declare all sums secured hereby immediately due and payable. In such an event the beneficiary at his election may proceed to foreclose this trust deed event the beneficiary at an energy of the first and sale, in equity, which the beneficiary may have. In the event remedy, either at law of foreclose by advertisement and sale, the beneficiary of the trustee shall execute and cause to be recorded his written motice of default her trustee shall execute and cause to be recorded his written motice of default her trustee shall execute and proceed to foreclose this trust decount of the trustee shall execute hereby whereupon the trustee shall in the time and place of sale, deed notice thereof as then required by law and proceed to foreclose this trust deed not the trustee shall expect the date the trustee conducts the sale, and at any time proteof to 5 days before the date the trustee conducts the sale, the grantor or any It the default consists of a failure to pay, when due, sums secured by the trust eded, the default may be cured by paying the sums secured by the trust deed, the default may be cured by paying the sum of the sum of the sum of the cure other than such portion as would entire amount due at the time of the cure other than such portion as would not then be due had no default occurred. Any other default that is capable of holigation of trust deed, the default may be cured b

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. The trustee may sell said property either in one parcel or in separate parcels and shall sell the parcel or space auction to the highest bidder for cash, payable at the time of sale oneyging the property so sold, but without any covenant or warranty, express or implied. The recitals in the deed of any matters of fact shall be conclusive proof of the truthfulness thereof. Any person, excluding the trustee, but including the grantor and beneficiary, may purchase at the sale.

15. When trustee sells pursuant to the powers provided herein, trustee shall apply the proceeds of sale to payment of (1) the expenses of sale, including the compensation of the truste and a reasonable charge by trustee's attorney, (2) to the obligation secured by the trust deed. (3) to all persons having recorded liens subsequent to the interest of the trustee in the trust deed as their interests may appear in the order of their priority and (4) the surplus, if any, to the frantor or to his successor in interest entitled to such surplus.

ided as their interests may appear in the order of their priority discussions aurplus, if any, to the grantor or to his successor in interest entitled to such surplus.

16. Beneliciary may from time to time appoint a successor or successors to any trustee named herein or to any successor trustee appointed here under. Upon such appointment, and without conveyance to the successor trustee, the latter shall be vested with all title, power and during content upon any trustee herein named or appointed hereunder, and substitution shall be used by written instrument, secured by beneficiary and substitution shall be used by written instrument, secured by beneficiary which, when seconded in the uncessage records of the county or counties in which the propercy is situated, shall be conditions post of proper appointment of the successor trustee.

17. Trustee accepts this trust when this deed, duly executed and acknowledged is made a public record as provided by law. Trustee is not obligated to notify any party hereto of pending sale under any other deed of trust or of any action or proceeding in which grantor, beneficiary or trustee shall be a party unless such action or proceeding is brought by trustee.

NOTE: The Trust Deed Act provides that the trustee hereunder must be either an attorney, who is an active member of the Oregon State Bar, a bank, trust company or savings 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, affiliates, agents or branches, the United States or any agency thereof, or an escrow agent licensed under ORS 696.505 to 696.585.

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

end that he will warrant and forever defend the same against all persons whomsoever.

The grantor warrants that the proceeds of the loan represent (a)* primarily for grantor's personal, family or household burn XXX XXX AX	by the above described fore and this fruit deed are.  0.535 (585 Limpoftan), Volice help you you you  1.X am How in this mass has bomberoid purposed.
This deed applies to, inures to the benefit of and binds all pa	rties hereto, their heirs, legatees, devisees, administrators, executors, shall mean the holder and owner, including pledgee, of the contract struing this deed and whenever the context so requires, the masculine
	into set his hand the day and year first above written.
* IMPORTANT NOTICE: Deleto, by lining out, whichever warranty (a) or (b) is applicable; if warranty (c) 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 of compliance with the Act is not required, disregard this notice.	X Matthew Beaggi MATTHEW BIAGGI A Humberly Braggi
	M
by William & Diminish	Minath ss. wledged before me on Alleren 29, 1921., Buggi:
This instrument was acknow	wledged before me on, 19,
by	Asset is the
as	
OFFICING SAL ANGELA ZEG HOTARY PUBLIC - OREGON COARY SUCI NO. 22 1715 MY CORRUSSION EXPIRES DEC. 14, 1893	Notary Public for Oregon  My commission expires 12/14/95
	ILL RECONVEYANCE bligations have been paid.
TO:, Truste	-
trust deed have been fully paid and satisfied. You hereby are direct	these secured by the toregoing trust deed. All sums secured by said ted, on payment to you of any sums owing to you under the terms of indebtedness secured by said trust deed (which are delivered to you tranty, to the parties designated by the terms of said trust deed the suments to
DATED: ,19	
	Beneficiary
De not lose or destroy this Trust Deed OR THE NOTE which it socures. Both m	ust be delivered to the trustee for cancellation before reconvoyance will be made.
TRUST DEED  (FORM No. 881)  STEVENS-NESS LAW PUB. CO PORTLAND, ORE.	STATE OF OREGON,  County of
MATTHEW AND KIMBERLY BIAGGI	of

TRUST DEED  (FORM No. 881) STEVENS-NESS LAW PUB. CO., PORTLAND, ORE.	eth enderene spet a pud	STATE OF OREGON,  County of
MATTHEW AND KIMBERLY BIAGGI	SPACE RESERVED	was received for record on the
SOUTH VALLEY STATE BANK	FOR RECORDER'S USE	page or as fee/file/instru- ment/microfilm/reception No
AFTER RECORDING RETURN TO SOUTH VALLEY STATE BANK		County affixed.
801 MAIN STREET KLAMATH: FALUS OR 97601	Bungan disab	By Deputy

MTC NO: 26158

## EXHIBIT "A" LEGAL DESCRIPTION

A parcel of land located in the NE1/4 NW1/4 of Section 34, Township 38 South, Range 11 1/2 East of the Willamette Meridian, Klamath County, Oregon, being more particularly described as follows:

Beginning at a point from which the North 1/4 corner of Section 34, Township 38 South, Range 11 1/2 East of the Willamette Meridian bears South 89 degrees 15' 20" East 60.00 feet and North 00 degrees 12' 45" East 41.00 feet distant; thence South 00 degrees 12' 45" West 245.71 feet; thence North 89 degrees 55' 07" West 180.00 feet; thence North 00 degrees 12' 45" East 247.80 feet; thence South 89 degrees 15' 20" East 180.01 feet to the point of beginning.

TOGETHER WITH a non-exclusive private easement for vehicular and public utility access described as follows:

A strip of land 60.00 feet wide located in the NE1/4 NW1/4 of Section 34, Township 38 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 North-South Centerline of Section 34, Township 38 South, Range 11 1/2 East of the Willamette Meridian, from Which point the North 1/4 corner of said Section 34 bears North 00 degrees 12' 45" East 41.00 feet distant; thence South 00 degrees 12' 45" West along said North-South Centerline 209.75 feet to the point on the Northerly right-of-way line of State Highway 140; thence following said right of way line along arc of a 2824.79 foot radius curve to the right 96.35 feet, the long chord of which bears South 38 degrees 43' 23" West 96.34 feet; thence North 00 degrees 12' 45" East 285.71 feet; thence South 89 degrees 15' 20" East 60.00 feet to the point of beginning.

Was.

STATE	OF OREGON: O	OUNTY OF KLAMATH:	SS.				
	or record at requ April	est of Mountain	n Title Co. 2:18 o'clo	ck PM., and on Page	<u>6968</u> .		day
FEE	\$20.00			velyn Biehn By	. County Clerk	lendore	