

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

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.

MARK WENDT HOMES, INC.

BY: Mark R. Wendt, President
MARK R WENDT, PRESIDENT

STATE OF OREGON, County of Klamath ss.

This instrument was acknowledged before me on April 30, 1992

by _____

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

by _____

as _____

of _____



OFFICIAL SEAL
TERESA L. LUCHT
NOTARY PUBLIC - OREGON
COMMISSION NO. 012832
MY COMMISSION EXPIRES JAN. 29, 1996

Teresa L. Lucht

Notary Public for Oregon

My commission expires 1/29/96

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

MARK WENDT HOMES, INC.

Grantor

SOUTH VALLEY STATE BANK

Beneficiary

AFTER RECORDING RETURN TO

SOUTH VALLEY STATE BANK
801 MAIN STREET
KLAMATH FALLS OR 97601

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

EXHIBIT "A"

LOTS 1, 2, 3 AND 4, BLOCK 3, EWAUNA HEIGHTS ADDITION TO THE CITY OF KLAMATH FALLS, ACCORDING TO THE OFFICIAL PLAT THEREOF ON FILE IN THE OFFICE OF THE COUNTY CLERK OF KLAMATH COUNTY, OREGON.

ALSO, THE FOLLOWING DESCRIBED PROPERTY SITUATE IN THE NE 1/4 SE 1/4 OF SECTION 19, TOWNSHIP 38 SOUTH, RANGE 9 EAST OF THE WILLAMETTE MERIDIAN, KLAMATH COUNTY, OREGON, BEING MORE PARTICULARLY DESCRIBED AS FOLLOWS:

BEGINNING AT A POINT WHICH IS NORTH A DISTANCE OF 2,564.5 FEET AND WEST A DISTANCE OF 1337.2 FEET FROM THE IRON AXLE WHICH MARKS THE SOUTHEAST CORNER OF SECTION 19, TOWNSHIP 38 SOUTH, RANGE 9 EAST OF THE WILLAMETTE MERIDIAN; SAID POINT OF BEGINNING ALSO BEING ON THE SOUTHERLY RIGHT OF WAY OF FRONT STREET (NOW KNOWN AS HANK'S STREET) WHICH POINT IS 30.0 FEET EAST OF THE NORTHEAST CORNER OF BLOCK 2, KLAMATH LAKE ADDITION, AS SHOWN ON THE OFFICIAL PLAT OF SAID KLAMATH LAKE ADDITION ON FILE IN THE COUNTY CLERK'S OFFICE IN KLAMATH COUNTY, OREGON; AND RUNNING SOUTH ALONG THE 1/16TH LINE ON THE WEST SIDE OF THE NE 1/4 OF THE SE 1/4 OF SAID SECTION 19, A DISTANCE OF 220.0 FEET TO THE TRUE POINT OF BEGINNING; THENCE NORTH 70 DEGREES 53' EAST A DISTANCE OF 232.3 FEET; THENCE NORTH 36 DEGREES 12' EAST TO THE SOUTH RIGHT OF WAY LINE OF LAKEPORT BLVD., THENCE SOUTHEASTERLY ALONG SAID RIGHT OF WAY LINE TO THE NORTHWEST CORNER OF THAT PROPERTY CONVEYED TO THE RALPH SMITH AND ALICE SMITH, HUSBAND AND WIFE, AND WILLIAM SMITH AND WENDELL SMITH, AND DESCRIBED AS PARCEL 2 IN DEED VOLUME 215, AT PAGE 170, DEED RECORDS OF KLAMATH COUNTY, OREGON, THENCE SOUTHERLY ALONG THE WESTERLY LINE OF SAID DEED VOLUME 215, PAGE 170, DEED RECORDS OF KLAMATH COUNTY, OREGON TO THE SOUTHWEST CORNER THEROF, THENCE WEST TO THE SOUTHEAST CORNER OF THAT CERTAIN PROPERTY DESCRIBED IN DEED VOLUME 285 AT PAGE 444, DEED RECORDS OF KLAMATH COUNTY, OREGON, SAID POINT BEING WEST 210 FEET FROM THE WEST LINE OF THE NE 1/4 SE 1/4 OF SAID SECTION 19; THENCE NORTH 260 FEET TO THE NORTHEAST CORNER OF THAT CERTAIN PROPERTY DESCRIBED IN DEED VOLUME 296, PAGE 177, DEED RECORDS OF KLAMATH COUNTY, OREGON, THENCE WEST ALONG THE NORTH LINE OF SAID DEED VOLUME, 210 FEET TO THE WEST LINE OF THE NE 1/4 SE 1/4 OF SAID SECTION 19; THENCE NORTH ALONG SAID WEST LINE TO THE POINT OF BEGINNING.

STATE OF OREGON: COUNTY OF KLAMATH: ss.

Filed for record at request of S. Valley State Bank the 13th day
of May A.D., 19 92 at 9:10 o'clock A M., and duly recorded in Vol. M92
of Mortgages on Page 10385.

Evelyn Biehn - County Clerk

By D. Biehn, Notary Public

FEE \$15.00