THE TRUST REED made this 20TH day of	APRIL	19.92 , between
THIS TRUST DEED, made this 20TH day of MARK R WENDT AND KAREN LYNCH WENDT, AS TENANTS BY THE ENTIRETY		
as Grantor, WILLIAM P BRANDSNESS		., as Trustee, and
SOUTH VALLEY STATE BANK		

as Beneficiary,

WITNESSETH:

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

LOTS 13 AND 14, BLOCK 1, HARBOR ISLES, TRACT 1209, ACCORDING TO THE OFFICIAL PLAT THEREOF ON FILE IN THE OFFICE OF THE COUNTY CLERK OF KLAMATH COUNTY, OREGON.

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 connec-

tion with said real estate.

FOR THE PURPOSE OF SECURING PERFORMANCE of each agreement of grantor herein contained and payment of the FOR THE PURPOSE OF SECURING PERFORMANCE of each agreement of grantor herein contained and payment of the formation of (\$290,287.10) TWO HUNDRED NINETY THOUSAND, TWO HUNDRED EIGHTY SEVEN AND 10/100---

note of even date herewith, payable to beneficiary or order and made by grantor, the final payment of principal and interest hereof, if not sooner paid, to be due and payable APRIL 10 , 19 95 WITH RIGHTS TO FUTURE ADVANCES and The date of maturity of the debt secured by this instrument is the date, stated above, on which the final installment of saidpettements 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'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 deal. Agreement

sold, conveyed, assigned or alienated by the grantor without lirst 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 in good and workmanlike manner and building or improvement which may be constructed, damaged or destroyed thereon, and pay when due all costs incurred therefor.

destroyed thereon, and pay when due all costs incurred therefor.

Jo comply with all laws, ordinances, regulations, covenants, conditions and restrictions allecting said property; if the beneficiary so requests, to join in executing such linancing statements pursuant to the Uniform Commercial Code as the beneficiary may require and to pay for lifting same in the proper public office or offices, as well as the cost of all lien said in the by fling officers or searching agencies as may be deemed deirable by the beneficiary.

4. To provide and continuously maintain insurance on the buildings now directalter erected on the said premises against loss or damage by fire and such other hurards as the lendiciacy may from time to time require, in an amount not less than \$\frac{1}{2}\text{ Northing acceptable to the beneficiary, with loss payable to the latter; all policies of insurance shall be delivered to the beneficiary soon as insured; if the grantor shall fail for any reason to procure any such insurance and included any policy of insurance now or hereafter place press. The amount collected under any live or other care and any policy of insurance now or hereafter place press.

5. To keep said premises the removement of pay all the payable to the heneliciary upon any individual property before any pay and in such order as beneficiary and the construction of the obligation of release shall any bound of the property before any pa

It is mutually agreed that:

8. In the event that any portion or all of said property shall be taken under the right of enument domain or condemnation, beneficiary shall have the tight, 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 to pay all reasonable costs, expenses and attorney's lees necessarily paid or incurred by grantor in such proceedings, shall be paid to beneficiary and applied by it first upon any reasonable costs and expenses and attorney's lees both in the trial and appellate courts, necessarily paid or included to the indebtedness in the such actions and executed hereby; and grantor agrees, at its one extense to take such actions and execute such instruments as shall expenses to take such actions and executes such instruments as shall request.

9. At any time are and presentation of this deed and the note for endorsement (see and presentation of this deed and the note for endorsement in one of full reconveyances, for cancellation), without allecting 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

franting any easument or creating any testriction thereon; (c) join in any subordination or other agreement affecting this doed or the lien or charge thereof; (d) reconvey, without warranty, all or any part of the property. The france in any reconveyance may be described as the "person or persons legally entitled thereto", and the rectals there no any matters or leters shall be conclusive proof of the truthfulness thereof. Trustee's less for any of the services mentioned in this paragraph shall be not less than \$5.

10. Upon any default by granter herounder, 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 security of the upon and take passession of said property 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 taking possession of said property, the collection of such tents, issues and profits, or the proceeds of fire and other insurance policies or compensation or awards for any takind or damage of the property, and the application or release thereof as alonessid, 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 or in his nettores.

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 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 devent the beneficiary at his election may proceed to foreclose this trust deed in equity as an advertisement and sale, or may direct the trustee to foreclose this trust deed by in equity and and sale, or may direct the trustee to pursue any other right or devertisement and sale, or may direct the trustee to pursue any other right or temedy, either at law or in equity, which the beneficiary may have. In the event the beneficiary elects to foreclose by advertisement and sale, the beneficiary of the beneficiary elects to foreclose by advertisement and sale, the beneficiary of the truste shall exceute and cause to be recorded his written notice of default much his election to sell the said described real property to satisfy the obligation and his election to sell the said described real property to satisfy the obligation into the manner provided in ORS 86.735 to 86.795.

13. After the trustee has commenced foreclosure by advertisement and sale, and at any time prior to 5 days before the date the trustee conducts the sale, the grantor or any other person so privileged by ORS 86.753, may cut the default or defaults. If the default consists of a lailure to pay, when due the default or default for defaults. If the default consists of a failure to pay, when due the first of the person effecting the person may not the person effecting the removal that is capable of the person effecting the removal to the trustee of the trustee o

together with trustee's and attorney's fees 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 parcel's auction to the highest bidder for cash, payable at the time of sale. The shall deliver to the purchaser its deed in form as required by law consequences the property so sold, but without any covenant or warranty, express complied. The recitals in the deed of any matters of lact shall be conclusive proof of the truthfulness thereof. Any purchase at the sale, provided herein, trustee shall apply the proceeds of sale to payment of the trustee but including the granter of the compensation of the trustent of the powers previded herein, trustee shall apply the proceeds of sale to payment of the express of sale, to payment of the express of sale, to pay ment of the compensation of the trustee and be trust deed. It is all persons attorney, (2) to the abligation secure the trust of the trustees in the trust deed as their interests may appear in the order of the process at 41 persons surplus, if any, to the keamter of to his successor in interest entitled to such surplus.

15. Bereikiary may from time to time appears a successor of successor.

surplus, it any, to the grantic or to his successor in interest entitled to such surplus.

16. Bereliciary irray from time to time appoint a successor or successor to any trustee named herein into any successor trustee agrounded. Upon such appointment, and without conveyance to the successor trustee, the latter shall be systed such all time powers and dithese conferred trustee, the rustee herein named or resolved hereinder. Each such appointment and substitution shall be successor to a recognitive for executed to hereinders and substitution shall be successed as a recognitive resource of the country or country in which the property executed shall be conclusive proof of proper appointment of the successor trusteed shall be conclusive proof of proper appointment of the successor trusteed shall be expected 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.

MOTE: 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 lows 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 escrew agent freened under CRS and active and active the company of this state, its subsidiaries, affiliates, agents or branches, the United States or any agency thereof, or an escrew agent freened under CRS and active the company of this state, its subsidiaries, affiliates, agents or branches, the United States or any agency thereof.

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(a)* primarily lor-granter's personal lamily or household-purpose (b) for an organization, or (even it grantor is a natural person)	na-feec-l-moontant-(Voltee-below);
personal representatives, successors and assigns. The term beneliciary s secured hereby, whether or not named as a beneliciary herein. In consi gender includes the teminine and the neuter, and the singular number in	ruing this deed and whenever the context so requires, the mascuime cludes the plural.
IN WITNESS WHEREOF, said grantor has hereun	to 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 R WENDT KAREN LYNCH-WENDT KAREN LYNCH-WENDT
STATE OF OREGON, County of This instrument was acknowl by	and Karen Lynch-Wendt
This instrument was acknowl	ledged before me on
as	
COMMISSION NO. 012832	Oluber of Lucit Notary Public for Oregon Ay commission expires 1/29/96
REQUEST FOR FULL	RECONVEYANCE
To be used only when obli	gations have been paid.
TO: , Trustee	
The undersigned is the legal owner and holder of all indebtedness trust deed have been fully paid and satisfied. You hereby are directed said trust deed or pursuant to statute, to cancel all evidences of incherewith together with said trust deed) and to reconvey, without warre estate now held by you under the same. Mail reconveyance and documents	debtedness secured by said trust deed (which are delivered to you anty, to the parties designated by the terms of said trust deed the
DATED:	
	Beneficiary
Do not lose or destroy this Trust Dood OR THE NOTE which it secures. Both mus	t be delivered to the trustee for cancellation before reconveyance will be made.
TRUST DEED (FORM No. 881) STEVENS: NESS LAW PUB. CO., FORTLAND, ORK.	STATE OF OREGON, County of
MARK R AND KAREN LYNCH WENDT	was received for record on the13th day of
Grantor SPACE R	10000

SOUTH VALLEY STATE BANK Beneticiary AFTER RECORDING RETURN TO SOUTH VALLEY STATE BANK

97601

801 MAIN STREET KLAMATH FALLS OR

FOR RECORDER'S USE page 10390 or as fee/file/instrument/microfilm/reception No. 44806, Record of Mortgages of said County. Witness my hand and seal of County affixed.

.....Evelyn.Biehn, County Clerk. hai Mallingh Li Deputy

Fee \$15.00