

TRANSMITTED

17. Trustee accepts this trust when this deed, duly executed and acknowledged in accordance with the laws of the State of California, is recorded in the public records of the County of Santa Clara, California, and the Trustee is 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 in Oregon, or a surety company authorized to do business in 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.

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.

TURNSTONE INC.

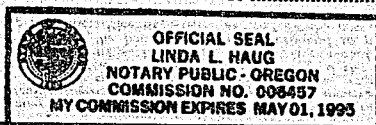
ROBERT MULLEN, PRESIDENT

DONALD J. LEGGET, SECRETARY

STATE OF OREGON, County of KLAMATH ss.

This instrument was acknowledged before me on September 23, 1991, by TURNSTONE INC.

This instrument was acknowledged before me on _____, 19____, by ROBERT MULLEN AND DONALD J. LEGGET as PRESIDENT AND SECRETARY, RESPECTIVELY of TURNSTONE INC.



My commission expires 5-1-95

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, PUBL. CO., PORTLAND, ORE.

TURNSTONE INC

2250 RANCH RD.
ASHLAND, OR 97520
ROBERT J. MULLEN Grantor
2250 RANCH ROAD
ASHLAND, OR 97520
Beneficiary

AFTER RECORDING RETURN TO

MOUNTAIN TITLE
222 So. SIXTH
KLAMATH FALLS, OR

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

11719

MTC NO: 26160-LH

EXHIBIT A
LEGAL DESCRIPTION

TRACT 1260 -- MONTE VISTA RANCH, situated in Government Lots 13 and 18, of Section 7, Township 35 South, Range 7 East of the Willamette Meridian, Klamath County, Oregon, being more particularly described as follows:

Beginning at the East 1/4 corner of said Section 7 and being the initial point; thence South 00 degrees 07' 41" East 1331.64 feet to the Southeast corner of Government Lot 18; thence North 89 degrees 58' 01" West 1334.30 feet to the Southwest corner of Government Lot 18; thence North 00 degrees 05' 49" East 663.13 feet to the Northwest corner of Government Lot 18; thence North 89 degrees 55' 02" East, on the line common to said Government Lots 13 and 18, 198.00 feet; thence North 00 degrees 05' 49" East, parallel to the West line of said Government Lot 13, 663.53 feet to the North line of said Government Lot 13; thence North 89 degrees 48' 05" East 1131.09 feet to the point of beginning, with bearings based on the East line of Bella Vista -- Tract 1235.

STATE OF OREGON: COUNTY OF KLAMATH: ss.

Filed for record at request of Mountain Title Company the 24th day
of May A.D., 19 93 at 1:37 o'clock P. M., and duly recorded in Vol. M93,
of Mortgages on Page 11717
Evelyn Biehn County Clerk
By Annette Mueller

FEE \$20.00