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05-23-94P03:38 RCVD

After Recording Please Return To:
 Klamath First Federal
 540 Main Street
 Klamath Falls, OR 97601

Vol 94 Page 16276

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DEED OF TRUST

THIS DEED OF TRUST ("Security Instrument") is made on May 16
 19 94. The grantor is Durinda J. Rhodes and Jean A. Pleus
William L. Sisemore ("Borrower"). The trustee is KLAMATH FIRST FEDERAL SAVINGS AND LOAN ASSOCIATION ("Trustee"). The beneficiary is
KLAMATH FIRST FEDERAL SAVINGS AND LOAN ASSOCIATION, which is organized and existing
 under the laws of the United States of America, and whose address is 540 Main Street, Klamath Falls, Oregon 97601 ("Lender").
 Borrower owes Lender the principal sum of One hundred thirty four thousand five hundred and
No./100 Dollars (U.S. \$134,500.00). This debt is evidenced by Borrower's note
 dated the same date as this Security Instrument ("Note"), which provides for monthly payments, with the full debt, if not
 paid earlier, due and payable on May 25, 2024. This Security Instrument
 secures to Lender: (a) the repayment of the debt evidenced by the Note, with interest, and all renewals, extensions and
 modifications; (b) the payment of all other sums, with interest, advanced under paragraph 7 to protect the security of this
 Security Instrument; (c) the performance of Borrower's covenants and agreements under this Security Instrument and the
 Note; and (d) the repayment of any future advances, with interest thereon, made to Borrower by Lender pursuant to the
 paragraph below ("Future Advances"). FUTURE ADVANCES. Upon request to Borrower, Lender, at Lender's option prior
 to full reconveyance of the property by Trustee to Borrower, may make Future Advances to Borrower. Such Future Advances,
 with interest thereon, shall be secured by this Deed of Trust when evidenced by promissory notes stating that said notes are
 secured hereby. For this purpose, Borrower irrevocably grants and conveys to Trustee, in trust, with power of sale, the
 following described property located in Klamath County, Oregon:

PLEASE SEE ATTACHED EXHIBIT "A" FOR LEGAL DESCRIPTION

"UNDER OREGON LAW, MOST AGREEMENTS, PROMISES AND COMMITMENTS MADE BY US AFTER
THE EFFECTIVE DATE OF THIS ACT CONCERNING LOANS AND OTHER CREDIT EXTENSIONS WHICH
ARE NOT FOR PERSONAL FAMILY OR HOUSEHOLD PURPOSES OR SECURED SOLELY BY THE BORROWER'S
RESIDENCE MUST BE IN WRITING, EXPRESS CONSIDERATION AND BE SIGNED BY US TO BE ENFORCEABLE"

which has the address of 13660 Worden Road, Klamath Falls
 [Street] [City]
 Oregon 97601 ("Property Address");
 [Zip Code]

TOGETHER WITH all the improvements now or hereafter erected on the property, and all easements, rights,
 appurtenances, rents, royalties, mineral, oil and gas rights and profits, water rights and stock and all fixtures now or
 hereafter a part of the property. All replacements and additions shall also be covered by this Security Instrument. All of the
 foregoing is referred to in this Security Instrument as the "Property."

BORROWER COVENANTS that Borrower is lawfully seized of the estate hereby conveyed and has the right to grant
 and convey the Property and that the Property is unencumbered, except for encumbrances of record. Borrower warrants
 and will defend generally the title to the Property against all claims and demands, subject to any encumbrances of record.

THIS SECURITY INSTRUMENT combines uniform covenants for national use and non-uniform covenants with
 limited variations by jurisdiction to constitute a uniform security instrument covering real property.

1. Payment of Principal and Interest; Prepayment and Late Charges. Borrower shall promptly pay when due the principal of and interest on the debt evidenced by the Note and any prepayment and late charges due under the Note.

2. Funds for Taxes and Insurance. Subject to applicable law or to a written waiver by Lender, Borrower shall pay to Lender on the day monthly payments are due under the Note, until the Note is paid in full, a sum ("Funds") equal to one-twelfth of: (a) yearly taxes and assessments which may attain priority over this Security Instrument; (b) yearly leasehold payments or ground rents on the Property, if any; (c) yearly hazard insurance premiums; and (d) yearly mortgage insurance premiums, if any. These items are called "escrow items." Lender may estimate the Funds due on the basis of current data and reasonable estimates of future escrow items.

The Funds shall be held in an institution the deposits or accounts of which are insured or guaranteed by a federal or state agency (including Lender if Lender is such an institution). Lender shall apply the Funds to pay the escrow items. Lender may not charge for holding and applying the Funds, analyzing the account or verifying the escrow items, unless Lender pays Borrower interest on the Funds and applicable law permits Lender to make such a charge. Borrower and Lender may agree in writing that interest shall be paid on the Funds. Unless an agreement is made or applicable law requires interest to be paid, Lender shall not be required to pay Borrower any interest or earnings on the Funds. Lender shall give to Borrower, without charge, an annual accounting of the Funds showing credits and debits to the Funds and the purpose for which each debit to the Funds was made. The Funds are pledged as additional security for the sums secured by this Security Instrument.

If the amount of the Funds held by Lender, together with the future monthly payments of Funds payable prior to the due dates of the escrow items, shall exceed the amount required to pay the escrow items when due, the excess shall be, at Borrower's option, either promptly repaid to Borrower or credited to Borrower on monthly payments of Funds. If the amount of the Funds held by Lender is not sufficient to pay the escrow items when due, Borrower shall pay to Lender any amount necessary to make up the deficiency in one or more payments as required by Lender.

Upon payment in full of all sums secured by this Security Instrument, Lender shall promptly refund to Borrower any Funds held by Lender. If under paragraph 19 the Property is sold or acquired by Lender, Lender shall apply, no later than immediately prior to the sale of the Property or its acquisition by Lender, any Funds held by Lender at the time of application as a credit against the sums secured by this Security Instrument.

3. Application of Payments. Unless applicable law provides otherwise, all payments received by Lender under paragraphs 1 and 2 shall be applied: first, to late charges due under the Note; second, to prepayment charges due under the Note; third, to amounts payable under paragraph 2; fourth, to interest due; and last, to principal due.

4. Charges; Liens. Borrower shall pay all taxes, assessments, charges, fines and impositions attributable to the Property which may attain priority over this Security Instrument, and leasehold payments or ground rents, if any. Borrower shall pay these obligations in the manner provided in paragraph 2, or if not paid in that manner, Borrower shall pay them on time directly to the person owed payment. Borrower shall promptly furnish to Lender all notices of amounts to be paid under this paragraph. If Borrower makes these payments directly, Borrower shall promptly furnish to Lender receipts evidencing the payments.

Borrower shall promptly discharge any lien which has priority over this Security Instrument unless Borrower: (a) agrees in writing to the payment of the obligation secured by the lien in a manner acceptable to Lender; (b) contests in good faith the lien by, or defends against enforcement of the lien in, legal proceedings which in the Lender's opinion operate to prevent the enforcement of the lien or forfeiture of any part of the Property; or (c) secures from the holder of the lien an agreement satisfactory to Lender subordinating the lien to this Security Instrument. If Lender determines that any part of the Property is subject to a lien which may attain priority over this Security Instrument, Lender may give Borrower a notice identifying the lien. Borrower shall satisfy the lien or take one or more of the actions set forth above within 10 days of the giving of notice.

5. Hazard Insurance. Borrower shall keep the improvements now existing or hereafter erected on the Property insured against loss by fire, hazards included within the term "extended coverage" and any other hazards for which Lender requires insurance. This insurance shall be maintained in the amounts and for the periods that Lender requires. The insurance carrier providing the insurance shall be chosen by Borrower subject to Lender's approval which shall not be unreasonably withheld.

All insurance policies and renewals shall be acceptable to Lender and shall include a standard mortgage clause. Lender shall have the right to hold the policies and renewals. If Lender requires, Borrower shall promptly give to Lender all receipts of paid premiums and renewal notices. In the event of loss, Borrower shall give prompt notice to the insurance carrier and Lender. Lender may make proof of loss if not made promptly by Borrower.

Unless Lender and Borrower otherwise agree in writing, insurance proceeds shall be applied to restoration or repair of the Property damaged, if the restoration or repair is economically feasible and Lender's security is not lessened. If the restoration or repair is not economically feasible or Lender's security would be lessened, the insurance proceeds shall be applied to the sums secured by this Security Instrument, whether or not then due, with any excess paid to Borrower. If Borrower abandons the Property, or does not answer within 30 days a notice from Lender that the insurance carrier has offered to settle a claim, then Lender may collect the insurance proceeds. Lender may use the proceeds to repair or restore the Property or to pay sums secured by this Security Instrument, whether or not then due. The 30-day period will begin when the notice is given.

Unless Lender and Borrower otherwise agree in writing, any application of proceeds to principal shall not extend or postpone the due date of the monthly payments referred to in paragraphs 1 and 2 or change the amount of the payments. If under paragraph 19 the Property is acquired by Lender, Borrower's right to any insurance policies and proceeds resulting from damage to the Property prior to the acquisition shall pass to Lender to the extent of the sums secured by this Security Instrument immediately prior to the acquisition.

6. Preservation and Maintenance of Property; Leaseholds. Borrower shall not destroy, damage or substantially change the Property, allow the Property to deteriorate or commit waste. If this Security Instrument is on a leasehold, Borrower shall comply with the provisions of the lease, and if Borrower acquires fee title to the Property, the leasehold and fee title shall not merge unless Lender agrees to the merger in writing.

7. Protection of Lender's Rights in the Property; Mortgage Insurance. If Borrower fails to perform the covenants and agreements contained in this Security Instrument, or there is a legal proceeding that may significantly affect Lender's rights in the Property (such as a proceeding in bankruptcy, probate, for condemnation or to enforce laws or regulations), then Lender may do and pay for whatever is necessary to protect the value of the Property and Lender's rights in the Property. Lender's actions may include paying any sums secured by a lien which has priority over this Security Instrument, appearing in court, paying reasonable attorneys' fees and entering on the Property to make repairs. Although Lender may take action under this paragraph 7, Lender does not have to do so.

Any amounts disbursed by Lender under this paragraph 7 shall become additional debt of Borrower secured by this Security Instrument. Unless Borrower and Lender agree to other terms of payment, these amounts shall bear interest from the date of disbursement at the Note rate and shall be payable, with interest, upon notice from Lender to Borrower requesting payment.

If Lender required mortgage insurance as a condition of making the loan secured by this Security Instrument, Borrower shall pay the premiums required to maintain the insurance in effect until such time as the requirement for the insurance terminates in accordance with Borrower's and Lender's written agreement or applicable law.

8. **Inspection.** Lender or its agent may make reasonable entries upon and inspections of the Property. Lender shall give Borrower notice at the time of or prior to an inspection specifying reasonable cause for the inspection.

9. **Condemnation.** The proceeds of any award or claim for damages, direct or consequential, in connection with any condemnation or other taking of any part of the Property, or for conveyance in lieu of condemnation, are hereby assigned and shall be paid to Lender.

In the event of a total taking of the Property, the proceeds shall be applied to the sums secured by this Security Instrument, whether or not then due, with any excess paid to Borrower. In the event of a partial taking of the Property, unless Borrower and Lender otherwise agree in writing, the sums secured by this Security Instrument shall be reduced by the amount of the proceeds multiplied by the following fraction: (a) the total amount of the sums secured immediately before the taking, divided by (b) the fair market value of the Property immediately before the taking. Any balance shall be paid to Borrower.

If the Property is abandoned by Borrower, or if, after notice by Lender to Borrower that the condemnor offers to make an award or settle a claim for damages, Borrower fails to respond to Lender within 30 days after the date the notice is given, Lender is authorized to collect and apply the proceeds, at its option, either to restoration or repair of the Property or to the sums secured by this Security Instrument, whether or not then due.

Unless Lender and Borrower otherwise agree in writing, any application of proceeds to principal shall not extend or postpone the due date of the monthly payments referred to in paragraphs 1 and 2 or change the amount of such payments.

10. **Borrower Not Released; Forbearance By Lender Not a Waiver.** Extension of the time for payment or modification of amortization of the sums secured by this Security Instrument granted by Lender to any successor in interest of Borrower shall not operate to release the liability of the original Borrower or Borrower's successors in interest. Lender shall not be required to commence proceedings against any successor in interest or refuse to extend time for payment or otherwise modify amortization of the sums secured by this Security Instrument by reason of any demand made by the original Borrower or Borrower's successors in interest. Any forbearance by Lender in exercising any right or remedy shall not be a waiver of or preclude the exercise of any right or remedy.

11. **Successors and Assigns Bound; Joint and Several Liability; Co-signers.** The covenants and agreements of this Security Instrument shall bind and benefit the successors and assigns of Lender and Borrower, subject to the provisions of paragraph 17. Borrower's covenants and agreements shall be joint and several. Any Borrower who co-signs this Security Instrument but does not execute the Note: (a) is co-signing this Security Instrument only to mortgage, grant and convey that Borrower's interest in the Property under the terms of this Security Instrument; (b) is not personally obligated to pay the sums secured by this Security Instrument; and (c) agrees that Lender and any other Borrower may agree to extend, modify, forbear or make any accommodations with regard to the terms of this Security Instrument or the Note without that Borrower's consent.

12. **Loan Charges.** If the loan secured by this Security Instrument is subject to a law which sets maximum loan charges, and that law is finally interpreted so that the interest or other loan charges collected or to be collected in connection with the loan exceed the permitted limits, then: (a) any such loan charges shall be reduced by the amount necessary to reduce the charge to the permitted limit; and (b) any sums already collected from Borrower which exceeded permitted limits will be refunded to Borrower. Lender may choose to make this refund by reducing the principal owed under the Note or by making a direct payment to Borrower. If a refund reduces principal, the reduction will be treated as a partial prepayment without any prepayment charge under the Note.

13. **Legislation Affecting Lender's Rights.** If enactment or expiration of applicable laws has the effect of rendering any provision of the Note or this Security Instrument unenforceable according to its terms, Lender, at its option, may require immediate payment in full of all sums secured by this Security Instrument and may invoke any remedies permitted by paragraph 19. If Lender exercises this option, Lender shall take the steps specified in the second paragraph of paragraph 17.

14. **Notices.** Any notice to Borrower provided for in this Security Instrument shall be given by delivering it or by mailing it by first class mail unless applicable law requires use of another method. The notice shall be directed to the Property Address or any other address Borrower designates by notice to Lender. Any notice to Lender shall be given by first class mail to Lender's address stated herein or any other address Lender designates by notice to Borrower. Any notice provided for in this Security Instrument shall be deemed to have been given to Borrower or Lender when given as provided in this paragraph.

15. **Governing Law; Severability.** This Security Instrument shall be governed by federal law and the law of the jurisdiction in which the Property is located. In the event that any provision or clause of this Security Instrument or the Note conflicts with applicable law, such conflict shall not affect other provisions of this Security Instrument or the Note which can be given effect without the conflicting provision. To this end the provisions of this Security Instrument and the Note are declared to be severable.

16. **Borrower's Copy.** Borrower shall be given one conformed copy of the Note and of this Security Instrument. 17. **Transfer of the Property or a Beneficial Interest in Borrower.** If all or any part of the Property or any interest in it is sold or transferred (or if a beneficial interest in Borrower is sold or transferred and Borrower is not a natural person) without Lender's prior written consent, Lender may, at its option, require immediate payment in full of all sums secured by this Security Instrument. However, this option shall not be exercised by Lender if exercise is prohibited by federal law as of the date of this Security Instrument.

If Lender exercises this option, Lender shall give Borrower notice of acceleration. The notice shall provide a period of not less than 30 days from the date the notice is delivered or mailed within which Borrower must pay all sums secured by this Security Instrument. If Borrower fails to pay these sums prior to the expiration of this period, Lender may invoke any remedies permitted by this Security Instrument without further notice or demand on Borrower.

18. **Borrower's Right to Reinstate.** If Borrower meets certain conditions, Borrower shall have the right to have enforcement of this Security Instrument discontinued at any time prior to the earlier of: (a) 5 days (or such other period as applicable law may specify for reinstatement) before sale of the Property pursuant to any power of sale contained in this Security Instrument; or (b) entry of a judgment enforcing this Security Instrument. Those conditions are that Borrower: (a) pays Lender all sums which then would be due under this Security Instrument and the Note had no acceleration occurred; (b) cures any default of any other covenants or agreements; (c) pays all expenses incurred in enforcing this Security Instrument, including, but not limited to, reasonable attorneys' fees; and (d) takes such action as Lender may reasonably require to assure that the lien of this Security Instrument, Lender's rights in the Property and Borrower's obligation to pay the sums secured by this Security Instrument shall continue unchanged. Upon reinstatement by Borrower, this Security Instrument and the obligations secured hereby shall remain fully effective as if no acceleration had occurred. However, this right to reinstate shall not apply in the case of acceleration under paragraphs 13 or 17.

NON UNIFORM CONVENANTS. Borrower and Lender further covenant and agree as follows:

19. Acceleration; Remedies. Lender shall give notice to Borrower prior to acceleration following Borrower's breach of any covenant or agreement in this Security Instrument (but not prior to acceleration under paragraphs 13 and 17 unless applicable law provides otherwise). The notice shall specify: (a) the default; (b) the action required to cure the default; (c) a date, not less than 30 days from the date the notice is given to Borrower, by which the default must be cured; and (d) that failure to cure the default on or before the date specified in the notice may result in acceleration of the sums secured by this Security Instrument and sale of the Property. The notice shall further inform Borrower of the right to reinstate after acceleration and the right to bring a court action to assert the non-existence of a default or any other defense of Borrower to acceleration and sale. If the default is not cured on or before the date specified in the notice, Lender at its option may require immediate payment in full of all sums secured by this Security Instrument without further demand and may invoke the power of sale and any other remedies permitted by applicable law. Lender shall be entitled to collect all expenses incurred in pursuing the remedies provided in this paragraph 19, including, but not limited to, reasonable attorneys' fees and costs of title evidence.

If Lender invokes the power of sale, Lender shall execute or cause Trustee to execute a written notice of the occurrence of an event of default and of Lender's election to cause the Property to be sold and shall cause such notice to be recorded in each county in which any part of the Property is located. Lender or Trustee shall give notice of sale in the manner prescribed by applicable law to Borrower and to other persons prescribed by applicable law. After the time required by applicable law, Trustee, without demand on Borrower, shall sell the Property at public auction to the highest bidder at the time and place, and under the terms designated in the notice of sale in one or more parcels and in any order Trustee determines. Trustee may postpone sale of all or any parcel of the property by public announcement at the time and place of any previously scheduled sale. Lender or its designee may purchase the Property at any sale.

Trustee shall deliver to the purchaser Trustee's deed conveying the Property without any covenant or warranty, expressed or implied. The recitals in the Trustee's deed shall be prima facie evidence of the truth of the statements made therein. Trustee shall apply the proceeds of the sale in the following order: (a) to all expenses of the sale, including, but not limited to, reasonable Trustee's and attorneys' fees; (b) to all sums secured by this Security Instrument; and (c) any excess to the person or persons legally entitled to it.

20. Lender in Possession. Upon acceleration under paragraph 19 or abandonment of the Property, Lender (in person, by agent or by judicially appointed receiver) shall be entitled to enter upon, take possession of and manage the Property and to collect the rents of the Property including those past due. Any rents collected by Lender or the receiver shall be applied first to payment of the costs of management of the Property and collection of rents, including, but not limited to, receiver's fees, premiums on receiver's bonds and reasonable attorneys' fees, and then to the sums secured by this Security Instrument.

21. Reconveyance. Upon payment of all sums secured by this Security Instrument, Lender shall request Trustee to reconvey the Property and shall surrender this Security Instrument and all notes evidencing debt secured by this Security Instrument to Trustee. Trustee shall reconvey the Property without warranty to the person or persons legally entitled to it for a fee of not less than \$5.00. Such person or persons shall pay any recordation costs.

22. Substitute Trustee. Lender may from time to time remove Trustee and appoint a successor trustee to any Trustee appointed hereunder. Without conveyance of the Property, the successor trustee shall succeed to all the title, power and duties conferred upon Trustee herein and by applicable law.

23. Use of Property. The Property is not currently used for agricultural, timber or grazing purposes.

24. Attorneys' Fees. As used in this Security Instrument and in the Note, "attorneys' fees" shall include any attorneys' fees awarded by an appellate court.

25. Riders to this Security Instrument. If one or more riders are executed by Borrower and recorded together with this Security Instrument, the covenants and agreements of each such rider shall be incorporated into and shall amend and supplement the covenants and agreements of this Security Instrument as if the rider(s) were a part of this Security Instrument. [Check Applicable Box(es)]

- | | | |
|--|---|---|
| <input type="checkbox"/> Adjustable Rate Rider | <input type="checkbox"/> Condominium Rider | <input type="checkbox"/> 2-4 Family Rider |
| <input type="checkbox"/> Graduated Payment Rider | <input type="checkbox"/> Planned Unit Development Rider | |
| <input type="checkbox"/> Other(s) [specify] | | |

BY SIGNING BELOW, Borrower accepts and agrees to the terms and Covenants contained in this Security Instrument and in any rider(s) executed by Borrower and recorded with it.

Durinda J. Rhodes (Seal)
Durinda J. Rhodes - Borrower

Jean A. Pleus (Seal)
Jean A. Pleus - Borrower

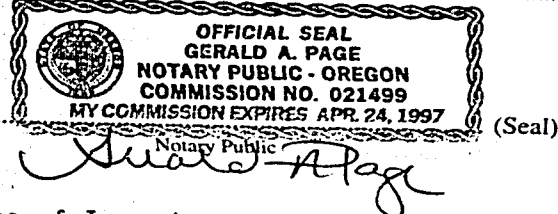
[Space Below This Line for Acknowledgment]

STATE OF Oregon
COUNTY OF Klamath } SS:

The foregoing instrument was acknowledged before me this May 16, 1994 (date)

by Durinda J. Rhodes and Jean A. Pleus (person(s) acknowledging)

My Commission expires:



This instrument was prepared by Klamath First Federal Savings & Loan Assn.

EXHIBIT "A"
LEGAL DESCRIPTION

16280

PARCEL 1

A tract of land situated in the NE1/4 of the SE1/4 of Section 7, Township 40 South, Range 8 East of the Willamette Meridian, Klamath County, Oregon, more particularly described as follows:

Beginning at a 5/8" iron pin which is located North 28 degrees 36' 18" West 1987.99 feet from the Southeast corner of said Section 7; thence South 74 degrees 15' 20" West 157.77 feet to a 5/8" iron pin in an existing fence line; thence South 15 degrees 44' 40" East along said fence line 194.5 feet to a fence corner; thence leaving said fence line and continuing South 15 degrees 44' 40" East to the South line of the NE1/4 of the SE1/4 of said Section 7; thence Easterly along the South line of the NE1/4 of the SE1/4 of said Section 7 to a point that bears South 15 degrees 44' 40" East from the point of beginning; thence North 15 degrees 44' 40" West to the point of beginning.

TOGETHER WITH a strip of land 30 feet in width for road easement purposes, for ingress and egress to the above described tract of land, said easement being situated in the SE1/4 of Section 7, and the SW1/4 of Section 8, Township 40 South, Range 8 East of the Willamette Meridian, Klamath County, Oregon, said strip of land being 15 feet each side of, measured at right angles to the following described centerline:

Beginning at a point on the Easterly line of the above described tract of land, said point being situated North 28 degrees 36' 18" West 1987.99 feet and South 15 degrees 44' 40" East 70.42 feet from the Southeast corner of said Section 7; thence North 70 degrees 14' 50" East 102.17 feet; thence South 65 degrees 44' 20" East 111.88 feet; thence South 87 degrees 00' 30" East 358.12 feet; thence North 67 degrees 52' 30" East 122.99 feet; thence North 30 degrees 20' 50" East 109.81 feet; thence North 59 degrees 09' 30" East 285.17 feet, more or less, to the centerline of the Keno-Worden County Road.

EXCEPTING THEREFROM that portion within the county road right of way.

PARCEL 2

A tract of land situated in the SE1/4 of Section 7, Township 40 South, Range 8 East of the Willamette Meridian, Klamath County, Oregon, more particularly described as follows:

Beginning at a 5/8" iron pin which is located North 24 degrees 22' 20" West a distance of 2137.93 feet from the Southeast corner of said Section 7; thence North 26 degrees 02' 00" West 416.00 feet to a 5/8" iron pin; thence South 63 degrees 58' 00" West 208.00 feet to a 5/8" iron pin; thence South 26 degrees 02' 00" East 416.00 feet to a 5/8" iron pin; thence North 63 degrees 58' 00" East 208.00 feet to the point of beginning, with the bearings based on recorded Survey No. 1356 as recorded in the office of the Klamath County Surveyor.

TOGETHER WITH a strip of land, thirty feet in width for road easement purposes, for ingress and egress to the above described tract of land, said easement being situated in the SE1/4 of Section 7 and the SW1/4 of Section 8, Township 40 South, Range 8 East of the Willamette Meridian, Klamath County, Oregon, said strip of land being 15 feet each side of, measured at right angles to the following described centerline:

Beginning at a point on the Southerly line of the above described tract of land, said point being situated North 24 degrees 22' 20" West a distance of 2137.93 feet and South 63 degrees 58' 00" West a distance of 125.02 feet from the Southeast corner of said Section 7; thence South 21 degrees 47' 30" East 154.15 feet; thence South 15 degrees 44' 40" East 69.19 feet; thence North 70 degrees 14' 50" East 87.13 feet; thence South 65 degrees 44' 20" East 111.88 feet; thence South 87 degrees 00' 30" East 358.12 feet; thence North 67 degrees 52' 30" East 122.99 feet; thence North 30 degrees 20' 50" East 109.81 feet; thence North 59 degrees 09' 30" East 285.17 feet; more or less to the centerline of the Keno-Worden County Road.

PARCEL 3

A tract of land situated in the SE1/4 of Section 7, Township 40 South, Range 8 East of the Willamette Meridian, Klamath County, Oregon, more particularly described as follows:

Beginning at a 5/8" iron pin on the Southeast corner of that tract of land described in Deed Volume M71 at page 10862, as recorded in the Klamath County Deed Records, said point being North 24 degrees 22' 20" West 2137.93 feet from the Southeast corner of said Section 7; thence South 63 degrees 58' 00" West along the Southerly line of said Deed Volume, 208.00 feet to the Southwest corner thereof; thence South 12 degrees 39' 37" West 157.42 feet to the Northwest corner of that tract of land described in Deed Volume M69 at page 5656 of said Deed Records; thence North 74 degrees 15' 20" East, along the Northerly line of said Deed Volume M69 at page 5656, 157.77 feet to the Northeasterly corner thereof; thence North 18 degrees 59' 34" East 213.70 feet to the point of beginning, with bearings based on Survey No. 1356, as recorded in the office of the Klamath County Surveyor.

Account#4008-00700-00801 Key# 805212 Code 052
Account#4008-00700-01100 Key# 619502 Code 021
Account#4008-00700-01200 Key# 619511 Code 021

EXHIBIT A
MOUNTAIN TITLE CO.

16281

08281

STATE OF OREGON: COUNTY OF KLAMATH: ss.
Filed for record at request of Mountain Title Co the 23rd day
of May 1994 at 3:38 o'clock P. M. and duly recorded in Vol. M94
of Mortgages on Page 16276
By Evelyn Biehn County Clerk
[Signature]

FEE \$35.00

[Faint, mostly illegible text from the reverse side of the document, appearing as bleed-through or ghosting.]