

TRUSTEE'S DEED

THIS INDENTURE, Made this 12th day of March, 1996, between William M. Ganong, Successor Trustee, and Horizons Investment No. 85 IX, a California Partnership, hereinafter called the second party;

WITNESSETH:

RECITALS: Coralie C. Nelson delivered to Aspen Title & Escrow Company of Horizons Investment No. 85 IX, a California Partnership, as grantor, executed and dated May 14, 1993, duly recorded on May 14, 1993, in the mortgage records of Klamath County, Oregon, in book/reel/volume No. M93 at page 10927, or as fee/file/instrument/microfilm/reception No. (indicate which). In said trust deed the real property therein and certain obligations of the grantor to the said beneficiary. The said grantor thereafter defaulted in his performance of the obligations secured by said trust deed as stated in the notice of default hereinafter mentioned and such default still existed at the time of the sale hereinafter described.

By reason of said default, the owner and holder of the obligations secured by said trust deed, being the beneficiary therein named, or his successor in interest, declared all sums so secured immediately due and owing; a notice of default, containing an election to sell the said real property and to foreclose said trust deed by advertisement and sale to satisfy grantor's said obligations was recorded in the mortgage records of said county on November 1, 1995, in book/reel/volume No. M95 at page 29921 thereof or as fee/file/instrument/microfilm/reception No. (indicate which), to which reference now is made.

After the recording of said notice of default, as aforesaid, the undersigned trustee gave notice of the time for and place of sale of said real property as fixed by him and as required by law; copies of the Trustee's Notice of Sale were served pursuant to ORCP 7D.(2) and 7D.(3) or mailed by both first class and certified mail with return receipt requested, to the last-known address of the persons or their legal representatives, if any, named in ORS 86.740(1) and (2)(a), at least 120 days before the date the property was sold, and the Trustee's Notice of Sale was mailed by first class and certified mail with return receipt requested, to the last-known address of the guardian, conservator or administrator or executor of any person named in ORS 86.740(1), promptly after the trustee received knowledge of the disability, insanity or death of any such person; the Notice of Sale was served upon occupants of the property described in the trust deed in the manner in which a summons is served pursuant to ORCP 7D.(2) and 7D.(3) at least 120 days before the date the property was sold, pursuant to ORS 86.750(1). If the foreclosure proceedings were stayed and released from the stay, copies of an Amended Notice of Sale in the form required by ORS 86.755(6) were mailed by registered or certified mail to the last-known address of those persons listed in ORS 86.740 and 86.750(1) and to the address provided by each person who was present at the time and place set for the sale which was stayed within 30 days after the release from the stay. Further, the trustee published a copy of said notice of sale in a newspaper of general circulation in each county in which the said real property is situated, once a week for four successive weeks; the last publication of said notice occurred more than twenty days prior to the date of such sale. The mailing, service and publication of said notice of sale are shown by one or more affidavits or proofs of service duly recorded prior to the date of sale in the official records of said county, said affidavits and proofs, together with the said notice of default and election to sell and the trustee's notice of sale, being now referred to and incorporated in and made a part of this trustee's deed as fully as if set out herein verbatim. The undersigned trustee has no actual notice of any person, other than the persons named in said affidavits and proofs as having or claiming a lien on or interest in said described real property, entitled to notice pursuant to ORS 86.740(1)(b) or (1)(c).

Pursuant to said notice of sale, the undersigned trustee on March 11, 1996, at the hour of 10 o'clock, A.M., of said day, in accord with the standard of time established by ORS 187.110, (which was the day and hour to which said sale was postponed as permitted by ORS 86.755(2)) (which was the day and hour set in the amended Notice of Sale)* and at the place so fixed for sale, as aforesaid, in full accordance with the laws of the state of Oregon and pursuant to the powers conferred upon him by said trust deed, sold said real property in one parcel at public auction to the said second party for the sum of \$115,503.09, he being the highest and best bidder at such sale and said sum being the highest and best sum bid for said property. The true and actual consideration paid for this transfer is the sum of \$115,503.09.

* Delete words in parentheses if inapplicable.

(CONTINUED ON REVERSE SIDE)

Coralie C. Nelson

119 Williamson River Drive
Chiloquin OR 97624

GRANTOR'S NAME AND ADDRESS

GRANTEE'S NAME AND ADDRESS

After recording return to:

William M. Ganong

635 Main Street

Klamath Falls OR 97601

NAME, ADDRESS, ZIP

Until a change is requested all tax statements shall be sent to the following address:

Horizons Investments No. 85-IX

80185 Westward Ho Drive

LaQuinta CA 92253

NAME, ADDRESS, ZIP

STATE OF OREGON,

County of _____ ss.

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 Deeds of said county.

Witness my hand and seal of County affixed.

NAME

TITLE

By _____ Deputy

NOW THEREFORE, in consideration of the said sum so paid by the second party in cash, the receipt whereof is acknowledged, and by the authority vested in said trustee by the laws of the State of Oregon and by said trust deed, the trustee does hereby convey unto the second party all interest which the grantor had or had the power to convey at the time of grantor's execution of said trust deed, together with any interest the said grantor or his successors in interest acquired after the execution of said trust deed in and to the following described real property, to-wit:

SEE EXHIBIT "A" ATTACHED HERETO AND INCORPORATED HEREIN BY THIS REFERENCE.

TO HAVE AND TO HOLD the same unto the second party, his heirs, successors-in-interest and assigns forever.

In construing this instrument and whenever the context so requires, the masculine gender includes the feminine and the neuter and the singular includes the plural; the word "grantor" includes any successor in interest to the grantor as well as each and all other persons owing an obligation, the performance of which is secured by said trust deed; the word "trustee" includes any successor trustee, the word "beneficiary" includes any successor in interest of the beneficiary first named above, and the word "person" includes corporation and any other legal or commercial entity.

IN WITNESS WHEREOF, the undersigned trustee has hereunto set his hand; if the undersigned is a corporation, it has caused its corporate name to be signed and its corporate seal to be affixed hereunto by its officers duly authorized thereunto by order of its Board of Directors.

THIS INSTRUMENT WILL NOT ALLOW USE OF THE PROPERTY DESCRIBED IN THIS INSTRUMENT IN VIOLATION OF APPLICABLE LAND USE LAWS AND REGULATIONS. BEFORE SIGNING OR ACCEPTING THIS INSTRUMENT, THE PERSON ACQUIRING FEE TITLE TO THE PROPERTY SHOULD CHECK WITH THE APPROPRIATE CITY OR COUNTY PLANNING DEPARTMENT TO VERIFY APPROVED USES.

William M. Ganong
William M. Ganong, Successor Trustee

(If executed by a corporation,
affix corporate seal)

(If the signer of the above is a corporation,
use the form of acknowledgment opposite.)

STATE OF OREGON,

County of Klamath } ss.

The foregoing instrument was acknowledged before me this March 12, 1996, by William M. Ganong, Successor Trustee

(ORS 194.570)

STATE OF OREGON, County of _____) ss.

The foregoing instrument was acknowledged before me this _____, 19____, by _____,

_____, president, and by _____,

_____, secretary of _____,

a _____ corporation, on behalf of the corporation.

Notary Public for Oregon

My commission expires:

(SEAL)

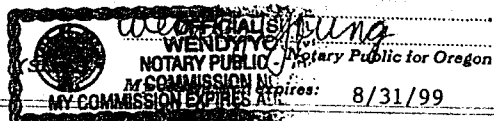


EXHIBIT "A"

PARCEL 1:

A tract of land situated in Section 21, Township 35 South, Range 7 East of the Willamette Meridian, in the County of Klamath, State of Oregon, described as follows:

Beginning at the Northwest corner of Lot 4; thence South along the East line of Lots 5 and 6 and 16 to the Northwest corner of Lot 5, Block 2, Williamson River Estates; thence Northeasterly along the North line of said subdivision to the Northeast corner of Lot 11, Block 1; thence Northerly and Easterly along the Westerly right of way line of Williamson River Drive to the Westerly right of way line of Highway No. 97; thence Northwesterly along said highway right of way line to the Southeast corner of Book 336 at Page 17, Deed Records of Klamath County, Oregon; thence South 80 degrees 32' 15" West to the Southwest corner of said deed; thence Northerly along the Westerly line of said deed, 200 feet to the Northwest corner thereof; thence North 80 degrees 32' 15" East to the Westerly right of way line of said highway; thence Northerly along said Westerly right of way line 60 feet, more or less, to the Southeast corner of Volume M-67 at Page 318, Microfilm Records of Klamath County, Oregon; thence South 80 degrees 32' 15" West 231 feet to the Southwest corner of said deed; thence North 09 degrees 27' 45" West 607.11 feet, more or less, to the North line of Section 21; thence West along said line to the point of beginning.

EXCEPTING THEREFROM a tract of land situated in Section 21, Township 35 South, Range 7 East of the Willamette Meridian, in the County of Klamath, State of Oregon, being more particularly described as follows:

Beginning at the initial point of Williamson River Estates, a duly recorded subdivision, said initial point situated South 19 degrees 17' 35" East a distance of 1037.36 feet (South 18 degrees 49' 22" East 1038.84 feet by said plat) from the North one-fourth corner (N 1/4 of of said Section 21); thence South 81 degrees 02' 30" West 172.35 feet (172.88 by said plat); thence continuing South 81 degrees 02' 30" West 80.86 feet; thence North 09 degrees 27' 45" West 365.94 feet to a 1/2 inch iron pin which is North 80 degrees 32' 15" East 17.00 feet from Point A as shown on accompanying Exhibit "A"; thence North 80 degrees 32' 15" East 253.20 feet to the Westerly right of way line of U. S. Highway 97; thence South 09 degrees 27' 45" East, along said right of way line 368.17 feet to the point of beginning, with bearings based on said recorded plat.

Continued on next page

EXHIBIT "A" CONTINUED

ALSO EXCEPTING THEREFROM a tract of land situated in Government Lots 7 and 15 of Section 21, Township 35 South, Range 7 East of the Willamette Meridian, in the County of Klamath, State of Oregon, more particularly described as follows:

Beginning at the Northwest corner of Williamson River Estates, a duly recorded subdivision, said point being on the Westerly line of said Lot 15; thence along the Northerly line of said subdivision, North 89 degrees 34' 45" East 329.42 feet and North 74 degrees 05' 45" East 573.78 feet to a fence corner; thence along the fence lines to be the property lines the following courses; North 08 degrees 53' 25" West 567.07 feet, North 85 degrees 27' 50" West 143.46 feet, North 77 degrees 32' 10" West 293.55 feet, North 55 degrees 21' 40" West 218.14 feet, South 71 degrees 16' 20" West 100.40 feet and South 67 degrees 57' 45" West 104 feet, more or less, to the Westerly line of said Lot 7; thence Southerly along the Westerly lines of said Government Lots 7 and 15, 849 feet, more or less, to the point of beginning, with bearings based on said Williamson River Estates.

PARCEL 2:

A parcel of land situated in Section 21, Township 35 South, Range 7 East of the Willamette Meridian, in the County of Klamath, State of Oregon, described as follows:

Beginning at the Southeast corner of Lot 5, Block 3, Williamson River Estates; thence Southwesterly along the Southerly boundary of said subdivision to the Southwest corner of Lot 6, Block 2; thence South along the Easterly line of Lot 17 to the Northerly line of the Williamson River; thence Northerly along said line to a point that would intersect the Easterly line of said Lot 5 if extended Southerly; thence Northerly along said line to the point of beginning.

PARCEL 3:

That certain one foot street plug along the North boundary of Crawford Way of Williamson River Estates, in the County of Klamath, State of Oregon.

CODE 118 MAP 3507-21BD TL 3000
CODE 118 MAP 3507-2100 TL 500
CODE 118 MAP 3507-21BD TL 1200

STATE OF OREGON: COUNTY OF KLAMATH: ss.

Filed for record at request of William M Ganong the 14th day
of March A.D., 19 96 at 10:15 o'clock A M., and duly recorded in Vol. M96,
of Deeds on Page 6848.

Bernetha G. Letsch, County Clerk

FEE \$45.00

By Cheryl Russell