NOTIE: The Trust Dead Act provides that the trustee hereunder must be either an atterney, who is an ective member of the Oregon State Bar, a bank, trust company or savings and lean 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 of this state, its substitiaries, affiliates, agents or branches, the United States or any agency thereof, or an escrow agent licensed under ORS 698.595 to 696.585.

WARNING: 12 USC 1701]-3 regulates and may prohibit exercise of this option.

which are in excess of the amount required to pay all reasonable costs, expenses and attorney's less 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 less, both in the trial and applied to curts, necessarily paid or incurred by beneficiary in such proceedings, and the balance applied upon the indebtedness secured hereby; and grantor agrees, at its own were by beneficiary in such proceedings, and the balance applied upon the indebtedness secured hereby; and grantor agrees, at its own were the part of the security of the part of the note ion of the indebtedness frustee ray (a) consent to the making of any map or plat of the first and part of the note ion endorsement (in case of lull reconveyance, to canculation), without attacting in blaining any cessment or creating any extention thereon; (a) oin any subtordination or other agreement attaction; the property of the indebtedness, trustee ray (a) consent to the making of any map or plat of the first hidden of the line of charge thereof; (d) reconvey, without warranty, all or any part of the property. The grantee in any reconvey and be described as the "percont or persons legally entitled theretor," and the recitals therein of any matters of lasts shall be conclusive proof of the truthfulness thereof, in the collection of the property or any part thereof, in its own names cut of the indebtedness hereby secured, enter upon and take possession of the property or any part thereof, in its own names use or otherwise collect the rule, sixues and profits, including those passession of the property or any part thereof, in its own names use or otherwise collect the rule, sixues and profits, or the proceeds of tire and other insurance policies or compensation or awards for any taking or damage of the property, and the application or release thereof as a constant, and the property or any part thereof, in its own names collect the rule, sixues and profits, or t deed of any matters of tact thail be conclusive proof of the truthfulness thereof. Any person, excluding the trustee, but including the grantor and beneficiary, may purchase at the sale.

15. When trustee sells pursuant to the powers provided herein, trustee shall apply the proceeds of sale to payment of (1) the expenses of sale, including the compensation of the trustee and a reasonable charge by trustee's attorney, (2) to the obligation secured by the trust deed, (3) to all persons having recorded liens subsequent to the interest of the trustee in the trust deed as their interests may appear in the order of their priority and (4) the surplus, if any, to the grantor or to any successor in interest entitled to such surplus.

16. Beneficiary may from time to time appoint a successor or successors to any trustee named herein or to any successor trustee appointed hereunder. Upon such appointment, and without convoyance to the successor trustee, the latter shall be vested with all title, powers and duties conferred upon any trustee herein named or appointed hereunder. Each such appointment and substitution shall be made by written instrument executed by beneficiary, which, when recorded in the mortgage records of the county or counties in which the property is situated, shall be conclusive proof of proper appointment of the successor trustee.

17. Trustee accepts this trust when this deed, duly executed and acknowledged, is made a public record 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.

The grantor covensnts and agrees to and with the beneficiary and the beneficiary's successor in interest that the grantor is lawfully satisfaced hereto, and that the grantor will warrant and torever detend the same against all persons whomsoever.

WARNING: Unless grantor provides beneficiary may purchase insurance o tract or loan agreement between them, beneficiary may purchase insurance at grantor's expense to protect beneficiary's interest. This insurance may, but need not, also protect grantor's interest. If the collateral becomes damaged, the coverage purchased by beneficiary may not pay any claim made by or against grantor. Grantor may later cancel the coverage by providing evidence that grantor has obtained property coverage elsewhere. Grantor is responsible for the cost of any insurance coverage purchased by beneficiary, which cost may be added to grantor's contract or loan balance. If it is so edded, the interest rate on the underlying contract or loan will apply to it. The effective date of coverage may be the date grantor's prior coverage lapsed or the date grantor failed to provide proof of coverage. The coverage beneficiary purchases may be considerably more expensive than insurance grantor might otherwise obtain alone and may not satisfy any need for property damage coverage or any mandatory liability insurance requirements imposed by applicable law.

The granter warrants that the proceeds of the loan represented by the above described note and this trust deed are:

(a)* primarily for granter's personal, family or household purposes (see Important Notice below).

(b) for an organization, or (even it granter 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 tepresentatives, 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 trust dead, it is understood that the granter, trustee and/or beneficiary may each be more than one person; that if the context so requires, the singular shall be taken to mean and include the plural, and that generally all grammetical changes shall be made, assumed and implied to make the provisions hereof apply equally to corporations and to individuals. IN WITNESS WHEREOF, the grantor has executed this instrument 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 2, the brieficiary. MUST comply with the Act and Regulation by making required disclosures; for this purpose use Stevens-Ness Farm No. 1319, or equivalent. THOMAS S. HAN STATE OF OREGOV, County of shonomish_)ss. This instrument was acknowledged before me on Decomber 14 1918 18 1 1. 170 pt This instrument was acknowledged before me on PUBLIC , c, c' **e**' 1883, OFWASHING deboo Notary Public for Dieton My commission expires 1259 KEQUEST FOR FULL RECONVEYANCE (To be used only when oblighting says) pro House STATE OF OREGON: COUNTY OF KLAMATH: \$5. Filed for record at request of Aspen Title & Escrow the December A.D., 19 98 at 3:43 o'clock P.M., and duly recorded in Vol. M98 Mortgages on Page ____47387 Bernetha G. Letsch, County Clerk FEE \$15.00