

TRUST DEED

Vol. MSV Page 11320

WITNESSETH:

That portion of Lot 2 of Section 12 in Township 41 South, Range 10 East of the Willamette Meridian, being more particularly described in legal description attached hereto and made a part hereof, shown as EXHIBIT "A".

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.

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 of this state, its subsidiaries, affiliates, agents or branches, 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 EXCEPT TRUST DEED OF RECORD IN FAVOR OF KATHRYN MERRILEES RECORDED JUNE 24, 1980 IN BOOK M 80 PAGE 11574 WHICH GRANTOR HEREIN IS HELD HARMLESS THEREFROM AND WHICH BENEFICIARY GUARANTEES THAT SAME WILL BE PAID IN FULL ON OR BEFORE THE DUE DATE OF THIS TRUST DEED. 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, household or agricultural purposes (see Important Notice below),
(b) ~~for an organization, or even if grantor is a natural person, are for business or commercial purposes other than agricultural 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, if this instrument is to be a FIRST lien to finance the purchase of a dwelling, use Stevens-Ness Form No. 1305 or equivalent; if this instrument is NOT to be a first lien, or is not to finance the purchase of a dwelling use Stevens-Ness Form No. 1306, or equivalent. If compliance with the Act is not required, disregard this notice.

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

(ORS 93.490)

STATE OF OREGON,)
County of Klamath) ss.
Aug. 27, 1982

Personally appeared the above named

ARNULFO R. LUMBRERAS AND
CONNIE Q. LUMBRERAS

and acknowledged the foregoing instrument to be their voluntary act and deed.

Before me:

(OFFICIAL SEAL)

Notary Public for Oregon

My commission expires: 11/16/84

STATE OF OREGON, County of) ss.

Personally appeared and who, each being first duly sworn, did say that the former is the president and that the latter is the secretary of

a corporation, and that the seal affixed to the foregoing instrument is the corporate seal of said corporation and that the instrument was signed and sealed in behalf of said corporation by authority of its board of directors; and each of them acknowledged said instrument to be its voluntary act and deed.

Before me:

Notary Public for Oregon

My commission expires:

(OFFICIAL SEAL)

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 PUB. CO., PORTLAND, ORE.

ARNULFO R. LUMBRERAS &

CONNIE Q. LUMBRERAS

Grantor

DAVID DOWNEY AND

ELIZABETH M. DOWNEY

Beneficiary

AFTER RECORDING RETURN TO

MARY LOU / TA

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 document/tee/file/instrument/microfilm No. Record of Mortgages of said County.

Witness my hand and seal of County affixed.

NAME TITLE
By Deputy

EXHIBIT "A"

DESCRIPTION OF PROPERTY

A portion of Lot 2 of Section 12 in Township 41 South, Range 10 East of the Willamette Meridian, being more particularly described as follows:

Beginning at a point 50 feet East and 241.5 feet South of the Section corner common to Sections 1, 2, 11 and 12, Township 41 South, Range 10 East of the Willamette Meridian; thence East a distance of 190.2 feet; thence South to the meander line on the North bank of Lost River; thence Westerly and upstream along said meander line to a point due South of the point of beginning; thence North to the point of beginning.

THIS TRUST DEED IS AN "ALL INCLUSIVE TRUST DEED" AND IS SECOND AND SUBORDINATE TO THE TRUST DEED NOW OF RECORD DATED JUNE 23, 1980 AND RECORDED JUNE 24, 1980 IN BOOK M 80 PAGE 11574 OFFICIAL RECORDS OF KLAMATH COUNTY, IN FAVOR OF KATHRYN MERRILEES, BENEFICIARY, WHICH SECURES THE PAYMENT OF A NOTE THEREIN MENTIONED. BENEFICIARY HEREIN AGREES TO PAY, WHEN DUE, ALL PAYMENTS DUE UPON SAID PROMISSORY NOTE IN FAVOR KATHRYN MERRILEES, AND WILL SAVE GRANTORS HEREIN, ARNULFO R. LUMBRERAS AND CONNIE Q. LUMBRERAS, husband and wife, HARMLESS THEREFROM. SHOULD THE SAID BENEFICIARY HEREIN, DEFAULT IN MAKING PAYMENTS DUE UPON SAID PRIOR NOTE AND TRUST DEED, GRANTORS HEREIN, ARNULFO R. LUMBRERAS AND CONNIE Q. LUMBRERAS, MAY MAKE SAID DELINQUENT PAYMENTS AND ANY SUMS SO PAID BY THEM SHALL BE CREDITED UPON THE SUMS NEXT TO BECOME DUE UPON THE NOTE SECURED BY THIS DEED OF TRUST.

Arnulfo R. Lumbieras
ARNULFO R. LUMBRERAS

Connie Q. Lumbieras
CONNIE Q. LUMBRERAS

STATE OF OREGON; COUNTY OF KLAMATH; ss.

Filed for record . . . 11:05
this 30 day of August A.D. 19 82 at o'clock AM, and
duly recorded in Vol. M 82, of Mtge on Page 11320

Fee \$12.00

EVELYN BEHN, County Clerk
By Joyce Mc Dene