ALL INCLUSIVE ----- TRUST DEED

Vol. m (Vrage 11320 -

THIS TRUST DEED, made this 27th day of August ARNULFO R. LUMBRERAS AND CONNIE Q. LUMBRERAS, August , 19 82, between husband and wife as Grantor, TRANSAMERICA TITLE INSURANCE AND TRUST COMPANY INC.

DAVID DOWNEY AND ELIZABETH M. DOWNEY husband and wife as tenants by the entirety

as Beneficiary,

WITNESSETH:

Grantor irrevocably grants, bargains, sells and conveys to trustee in trust, with power of sale, the property KLAMATH County, Oregon, described as:

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".

together with all and singular the tenements, hereditaments and appurtenances and all other rights thereunto belonging or in anywise now or hereafter appertaining, and the rents, issues and profits thereof and all fixtures now or hereafter attached to or used in connec-

not sooner paid, to be due and payable September 1, 1984

The date of maturity of the debt secured by this instrument is the date, stated above, on which the linal installment of said note sold, conveyed, assigned or alienated by the grantor without first having obtained the written consent or approval of the beneficiary's option, all obligations secured by this instrument, irrespective of the maturity dates expressed therein, or The above described real property is not received. snall become immediately due and payable.

The above described real property is not currently used for agricultural, timber or grazing purposes.

becomes due and payable. In the even, and sold, conveyed, assigned or alienated by the grantor without trest then, at the beneficiary's option, all obligations secured by this instance, and the beneficiary's of the grantor agrees. The chove described real property is not currently used for ordical feet and the payable.

To protect the security of this trust deed, grantor agrees.

In protect and the security of this trust deed, grantor agrees, and repair; not to remove we and maintain said property in good condition and repair; not to remove we and maintain said property in good condition and repair; not to remove we and maintain said property in good and warkmanlike man and the payable of the continuous of the control of the contro

(a) consent to the making of any map or plat of said property; (b) join in granting any easement or creating any restriction thereon; (c) join in any subordination or other agreement affecting this deed or the lien or charke the state of the conveyance may be described as the "person or persons legally entitled thereto," and the recitals therein of any matter or lates shall be conclusive proof of the truthfulness thereoi. Truste's test for any of the services mentioned in this paragraph shall be not less than \$5.0 Upon any default by frantor hereunder, beneficiary may at any time without notice, either in person, by agent or by a receiver to be appointed by a court, and without regard to the adequay of any security for the indebtedness hereby secured, enter upon and takeny of any security for the indebtedness hereby secured, enter upon and takeny of any security for sissues and expenses of operation and collection, including play the same leasy oats and expenses of operation and collection, including reasonable afterney's lees upon any indebtedness secured hereby, and in such order as beneficiary may determine.

11. The entering upon and taking possession of said property, the collection of such tents, issues and profits or release thereof as aforesaid, shall not cute or waive any detault or notice of default hereunder or invalidate any act done pursuant to such notice.

waive any detault or notice of default hereunder or invalidate any act done pursuant to such notice.

12. Upon default by granter in payment of any indebtedness secured hereby in his performance of any agreement hereunder, the beneficiary may declare all sums secured hereby immediately due and payable. In such event the beneficiary at his election may proceed to foreclose this trust deed in equity as a mortgoge or direct the trustee to foreclose this trust deed advertisement and self-free the latter event the beneficiary or the trustee shall execute and cause all for the latter event the beneficiary or the trustee shall execute and cause all for the latter event the beneficiary or the trustee shall execute and cause all for the latter event the beneficiary or the trustee shall execute and cause all for the latter for the said describes real property to satisfy the obligations secured hereby, whereupon the trust shall lik the time and place of sale, kive notice thereof as then required by shall lik the time and place of sale, kive notice thereof as then required by and proceed to foreclose this trust deed in the manner provided in ORS 86.740 to 86.793.

13. Should the beneficiary elect to foreclose by advertisement and sale them after default at any time prior to live days before the date set by the trustee for the trustee sort heneficiary or his successors in interest, respectively, the entire amount hen due under the terms of the trust deed and the obligation secured thereby (duding costs and expenses actually incurred in enforcing the terms of the beneficiary or his successors in interest, respecting the terms of the beneficiary or his successors in interest, respectively, the entire amounts provided by law) other than such portion of the prioripal as would not then be due had no default occurred, and thereby cure the default, in which event all foreclosure proceedings shall be dismissed by the trustee.

14. Otherwise, the sale shall be held on the date and at the time and place designated in the sale shall b

the default, in which event all toreclosure proceedings shall be dismissed by the trustee.

14. Otherwise, the sale shall be held on the date and at the time and place designated in the notice of sale or the time to which said sale may be postponed as provided by law. The trustee may sell said property either in one parcel or separate parcels and shall sell the parcel or parcels at auction to the highest bidder for cash, payable at the time of sale. Trustee shall deliver to the purchaser its deed in form as required by law conveying the property so sole burchaser its deed in form as required by law conveying the property so so the purchaser its deed in form as required by law conveying the property so sole that deed of any matters of lact shall 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 terms subsequent to the interest of their trustee in the trust currents.

surplus, it any, to the granter or to his successor in interest entitled to such surplus.

16. For any reason permitted by law beneticiary may from time to time appoint a successor or successors to any trustee named herein or to any successor trustee appointed herein or to any successor trustee appointed herein or to any 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 beneticiary, containing reference to this trust deed instrument place of record which, when recorded in the office of the County click or Recorder 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 frust 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 escribe 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 law fully 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 WHICH BENEFICIARY GUARANTEES THAT SAME WILL BE PAID IN FULL ON OR BEFORE DATE OF THIS TRUST DEED at 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: 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.) STATE OF OREGON, STATE OF OREGON, County of .. County of Klamath Aug 27 , 19 82 Personally appeared Personally appeared the above named ARNULFO R. LUMBRERAS AND duly sworn, did say that the former is the CONNIE Q. LUMBRERAS 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 acknowledged the foregoing instru-ment to be their voluntary act and deed. Belore me: Before me: (OFFICIAL SEAL) Notary Public for Oregon COFFICIAL Notary Public for Oregon SEAL) My commission expires: 11/16/84 My commission expires: REQUEST FOR FULL RECONVEYANCE be used only when obligations have been paid. The undersigned is the legal owner and holder of all indebtedness secured by the loregoing 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 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 STATE OF OREGON, (FORM No. 881) County of I certify that the within instrument was received for record on the ARNULFO R. LUMBRERAS & at o'clock M and recorded

SPACE RESERVED

FOR

RECORDER'S USE

in book/reel/volume No.....on

By Deputy

instrument/microfilm No. Record of Mortgages of said County.

County affixed.

or as document/fee/file/

Witness my hand and seal of

الله والأورين - وقي - الم

CONNIE Q: LUMBRERAS

DAVID DOWNEY AND

ELIZABETH M. DOWNEY

MARY LOU / TATO

AFTER RECORDING RETURN TO

Grantor

Beneticiary

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 THEMSHALL BE CREDITED UPON THE SUMS NEXT TO BECOME DUE UPON THE NOTE SECURED BY THIS DEED OF TRUST.

Conne O Lundrerad.