

Second TRUST DEED

24TH day of August

as Beneficiary,

WITNESSETH:

as Beneficiary,

WITNESSETH:

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

Lot 13, Block 2, Tract No. 1063, THIRD ADDITION TO VALLEY VIEW, in the
County of Klamath, State of Oregon.

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 connection with said real estate.

FOR THE PURPOSE OF SECURING PERFORMANCE of each agreement of grantor herein contained and payment of the sum of TWENTY THREE THOUSAND EIGHT HUNDRED FORTY SEVEN AND 92/100 Dollars, with interest thereon according to the terms of a promissory note made by grantor, the final payment of principal and interest hereof, it

note of even date herewith, payable to beneficiary or order and made by grantor, the final payment of principal and interest thereon, in the sum of (\$23,841.92), August 26, xx 2003, not sooner paid, to be due and payable August 26, xx 2003.
The date of maturity of the debt secured by this instrument is the date, stated above, on which the final installment of said note becomes due and payable.

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

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

1. To protect, preserve and maintain said property in good condition and repair; not to remove or demolish any building or improvement thereon; not to commit or permit any waste of said property.

2. To complete or restore promptly and in good and workmanlike manner any building or improvement which may be constructed, damaged or destroyed thereon, and pay when due all costs incurred therefor.

3. To comply with all laws, ordinances, regulations, covenants, conditions and restrictions affecting said property; if the beneficiary so requests, to join in executing such financing statements pursuant to the Uniform Commercial Code as the beneficiary may require and to pay for filing same in the proper public office or offices, as well as the cost of all lien searches made by filing officers or searching agencies as may be deemed desirable by the beneficiary.

4. To provide and continuously maintain insurance on the buildings now or hereafter erected on the said premises against loss or damage by fire and such other hazards as the beneficiary may value _____, written in an amount not less than \$_____, insurable value _____, to the latter; and all companies acceptable to the beneficiary; and the loss payable to the latter; and policies of insurance shall be procured by the beneficiary as soon as insured; and if the grantor shall fail for any reason to procure any such insurance and to deliver said policies to the beneficiary at least fifteen days prior to the delivery of any policy of insurance now or hereafter placed on said buildings, the beneficiary shall procure the same at grantor's expense. The amount collected under any fire or other insurance policy may be applied by beneficiary upon any indebtedness secured hereby and in the order as beneficiary may determine, or at option of beneficiary the same amount so collected, or any part thereof, may be released to grantor. Such application or release shall not constitute a discharge of the indebtedness hereby secured, nor shall it constitute cure or waive any default or notice of default hereunder or invalidate any act done pursuant to such notice.

5. To keep said property free from construction liens and to pay all taxes, assessments and other charges that may be levied or assessed upon or against said property before any part of such taxes, assessments and other charges shall be due or delinquent and promptly deliver receipts therefor to the beneficiary; should the grantor fail to make payments by any taxes, assessments, insurance premiums, or by paying beneficiary with funds with which to by direct payment or by beneficiary may, at its option, make payments secured and the amount so paid, with interest at the rate set forth in paragraphs 6 and 7 of this hereby secured, shall be added to and become a part of the debt secured by this deed, shall be added to and become a part of the debt secured by this deed, without waiver of any rights, with interest as aforesaid, the pro-prietary hereinbefore described as well as the grantor, shall be bound to herein with same extent that all such payments shall be immediately due and payable with described, and the nonpayment thereof shall, at the option of the beneficiary, order all sums secured by this trust deed immediately due and payable and order a breach of this trust deed and expenses of this trust including the cost

6. To pay all costs, fees and expenses of this trust including the cost of title search as well as the other costs and expenses of the trustee incurred in connection with or in enforcing this obligation and trustee's and attorney's fees actually incurred.

in connection with or in enforcing this agreement, shall be actually incurred by the beneficiary or trustee.

7. The grantor, in and defend any action or proceeding purporting to affect the security rights or powers of beneficiary or trustee and in any suit, action or proceeding in which the beneficiary or trustee may appear, including any suit for the foreclosure of this deed, to pay all costs and expenses, including evidence of title and the beneficiary's or trustee's attorney's fees; the amount of attorney's fees shall be ascertained in the manner set forth or ordered by the court and in the event of an appeal from any such order or decree of the trial court, grantor further agrees to pay such sum as the appellate court shall adjudge reasonable as the beneficiary's or trustee's attorney's fees on such appeal.

It is mutually agreed that:

8. In the event that any portion or all of said property shall be taken under the right of eminent domain or condemnation, beneficiary shall have the right, if it so elects, to require that all or any portion of the monies payable as compensation for such taking, which are in excess of the amount required to pay all reasonable costs, expenses and attorney's fees, be paid to beneficiary and incurred by grantor in such proceedings, costs and expenses and attorney's fees, applied by it first upon any reasonable costs and expenses paid or incurred by beneficiary in the trial and appellate courts, necessarily paid or incurred by beneficiary in such proceedings and the balance applied upon the costs and expenses incurred by grantor agrees, at its own expense, to take such actions secured hereby and grantor agrees as shall be necessary in obtaining such command and execute such instruments as shall be necessary in obtaining such command, promptly upon beneficiary's request, at any time upon written request of beneficiary.

9. At any time and from time to time upon written request of the beneficiary, payment of its fees and presentation of this deed and the note for cancellation, without affecting the liability of any person for the payment of the indebtedness, trustee may

(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 subdivision or other agreement affecting all or any part of the property. The foregoing shall constitute the entire consideration for the grant hereof; (d) reconvey, without charge, to the person or persons named as grantees herein, or their heirs, assigns, personal representatives or legal successors thereto; and the recitals therein of any matters or facts stated herein shall constitute conclusive proof of the truthfulness thereof. Trustee's fees for any of the services mentioned in this paragraph shall be not less than \$5.

IN WITNESS WHEREOF, I have hereunto set my hand and seal, heretofore at _____, California, this _____ day of _____, 19____.

[illegible]

11. The entering upon and taking possession of said property, the collection of such rents, issues and profits, or the proceeds of fire and other insurance policies or compensation or awards for any taking or damage of the property, and the application or release thereof as aforesaid, shall not cure or waive any default or notice of default hereunder or invalidate any act done pursuant to such notice.

12. Upon default by grantor in payment of any indebtedness secured hereby or in his performance of any agreement hereunder, the beneficiary may declare all sums secured hereby immediately due and payable. In such an event the beneficiary at his or her option may proceed to foreclose this trust deed in equity as a mortgagee or may direct the trustee to foreclose this trust deed in equity as a mortgagee and sell the property secured hereby. The beneficiary shall execute and cause to be recorded his written order to satisfy the obligations secured by the said deed and the trustee shall fix the time and place of sale, give notice thereof and conduct the sale of the property secured hereby. The beneficiary shall also cause to be recorded his written order to foreclose this trust deed in the manner provided in ORS 86.740 to 86.746, and the trustee shall cause to be recorded his written order to foreclose by advertisement and sale.

13. Should the beneficiary elect to foreclose by advertisement and sale the manner provided in ORS 86.740 to 86.795.

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 in separate parcels and at any time or times, and at any place, in one or more public or private auctions, payable at the time of sale. Trustee shall deliver to the purchaser a deed in fee simple, payable at the time of sale conveying the property as such, but without any covenant or warranty, express or implied, of the recitals in the deed of any matters of fact 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 use the proceeds of sale to payment of (1) the expenses of sale, including the compensation of the trustee and a trust deed, (3) to all persons attorney, (2) to the obligation secured by the trust deed, (4) to the interest of the trustee in the trust having recorded liens superior to the interest of their priority and (4) to the surplus, if any, to the grantor or to his successor in interest entitled to such surplus.

16. For any reason permitted by law beneficiary may from time to time appoint a successor or successors to any trustee named herein and to any successor trustee appointed hereunder. Upon such shall be vested with all title, powers and duties conferred upon the trustee herein named or appointed hereunder. Each such appointment and substitution shall be made by written instrument, executed by beneficiary, containing reference to this trust. A check of the record, which, when recorded in the office of the County Clerk 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 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 696.555.

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, Mortgage dated February 2, 1976, recorded on February 6, 1976, in Book: M076 at Page: 1749, with Gerald James Robinson and Betty L. Robinson, husband and wife, as Mortgagors, and State of Oregon, Dept. of Veteran Affairs as Mortgagees 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).

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,)
County of Klamath) ss.
August 25, 19 83

Personally appeared the above named
Richard O. Persons and
Jeanine M. Persons

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

Before me:

(OFFICIAL SEAL)

Notary Public for Oregon

My commission expires: 11-2-86

(ORS 93.490)

STATE OF OREGON, County of) ss.
19

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. 881-1)

STEVENS-NESS LAW PUB. CO., PORTLAND, ORE.

Richard O. Persons

Jeanine M. Persons

Grantor

Tober Barbara Robinson

Beneficiary

AFTER RECORDING RETURN TO

Transamerica Title Ins. Co.
600 Main Street
Klamath Falls, Oregon 97601

SPACE RESERVED
FOR
RECORDER'S USE

STATE OF OREGON,)
County of Klamath) ss.

I certify that the within instrument was received for record on the 26 day of August, 19 83, at 10:40 o'clock A.M. and recorded in book/reel/volume No. M83 on page 14428 or as document/fee/file/instrument/microfilm No. 27462, Record of Mortgages of said County.

Witness my hand and seal of County affixed.

Evelyn Biehn, County Clerk

By Deputy

8.00 fee