

WHEN RECORDED MAIL TO:
JAMES E. EAGLE
13595 Struzenberg Court
Morgan Hill, CA 95037

SPACE ABOVE THIS LINE FOR RECORDER'S USE

ALL INCLUSIVE DEED OF TRUST AND ASSIGNMENT OF RENTS

This DEED OF TRUST, made September 19, 1983, between
FRED E. SEVERO as to an undivided 2/3 interest and MICHAEL P. SEVERO, herein called TRUSTOR,
as to an undivided 1/3 interest

whose address is 3103 Woodfern Circle Thousand Oaks, California 91360
(Number and Street) (City, State)

FIRST AMERICAN TITLE INSURANCE COMPANY, a California corporation, herein called TRUSTEE, and

JAMES E. EAGLE, a married man as his sole and separate property, herein called BENEFICIARY.

WITNESSETH: That Trustor grants to Trustee in Trust, with Power of Sale, that property in the County of Klamath, Oregon, State of xxxxxxxx, described as:

See Attached Legal Description as Exhibit "A"
This deed is being rerecorded to show Notary signature.

If the trustor shall sell, convey or alienate said property or any part thereof or any interest therein, or shall be divested of his title or any interest therein in any manner or way whether voluntarily or involuntarily without the written consent of the beneficiary being first had and obtained, beneficiary shall have the right, at its option except as prohibited by law, to declare any indebtedness or obligations secured hereby, irrespective of the maturity date specified in any note evidencing the same, immediately due and payable.

Together with the rents, issues and profits thereof subject, however, to the right, power and authority hereinafter given to and conferred upon Beneficiary to collect and apply such rents, issues and profits

For the Purpose of Securing (1) payment of the sum of \$204,000 with interest thereon according to the terms of a promissory note or notes of even date herewith made by Trustor, payable to order of Beneficiary, and extensions or renewals thereof, and (2) the performance of each agreement of Trustor incorporated by reference or contained herein (3) Payment of additional sums and interest thereon which may hereafter be loaned to Trustor, or his successors or assigns, when evidenced by a promissory note or notes reciting that they are secured by this Deed of Trust

A. To protect the security of this Deed of Trust Trustor agrees

(1) To keep said property in good condition and repair; not to remove or demolish any building thereon, to complete or restore promptly and in good and workmanlike manner any building which may be constructed, damaged or destroyed thereon and to pay when due all claims for labor performed and materials furnished therefor; to comply with all laws affecting said property or requiring any alterations or improvements to be made thereon; not to commit or permit waste thereon, not to commit, suffer or permit any act upon said property in violation of law; to cultivate, irrigate, fertilize, fumigate, prune and do all other acts which from the character or use of said property may be reasonably necessary, the specific enumerations herein not excluding the general.

(2) To provide, maintain and deliver to Beneficiary fire insurance satisfactory to and with loss payable to Beneficiary. The amount collected under any fire or other insurance policy may be applied by Beneficiary upon any indebtedness secured hereby and in such order as Beneficiary may determine, or at option of Beneficiary the entire amount so collected or any part thereof may be released to Trustor. Such application or release shall not cure or waive any default or notice of default hereunder or invalidate any act done pursuant to such notice. See Exhibit B

(3) To appear in and defend any action or proceeding purporting to affect the security hereof or the rights or powers of Beneficiary or Trustee; and to pay all costs and expenses, including cost of evidence of title and attorney's fees in a reasonable sum, in any such action or proceeding in which Beneficiary or Trustee may appear, and in any suit brought by Beneficiary to foreclose this Deed.

(4) To pay, at least ten days before delinquency all taxes and assessment affecting said property, including assessments on appurtenant water stock; when due, all incumbrances, charges and liens, with interest, on said property or any part thereof, which appear to be prior or superior hereto; all costs fees and expenses of this Trust. See Exhibit B

Should Trustor fail to make any payment or to do any act as herein provided, the Beneficiary or Trustee, but without obligation so to do and without notice to or demand upon Trustor and without releasing Trustor from any obligation hereof, may make or do the same in such manner and to such extent as either may deem necessary to protect the security hereof. Beneficiary or Trustee being authorized to enter upon said property for such purposes; appear in and defend any action or proceeding purporting to affect the security hereof or the rights or powers of Beneficiary or Trustee; pay, purchase, contest or compromise any incumbrance, charge or lien which in the judgement of either appears to be prior or superior hereto; and, in exercising any such powers, pay necessary expenses, employ counsel and pay his reasonable fees.

(5) To pay immediately and without demand all sums so expended by Beneficiary or Trustee, with interest from date of expenditure at the amount allowed by law in effect at the date hereof, and to pay for any statement provided for by law in effect at the date hereof regarding the obligation secured hereby any amount demanded by the Beneficiary not to exceed the maximum allowed by law at the time when said statement is demanded

B. It is mutually agreed:

(1) That any award of damages in connection with any condemnation for public use of or injury to said property or any part thereof is hereby assigned and shall be paid to Beneficiary who may apply or release such moneys received by him in the same manner and with the same effect as above provided for disposition of proceeds of fire or other insurance

(2) That by accepting payment of any sum secured hereby after its due date, Beneficiary does not waive his right either to require prompt payment when due of all other sums so secured or to declare default for failure so to pay.

(3) That at any time or from time to time, without liability therefor and without notice, upon written request of Beneficiary and presentation of this Deed and said note for endorsement, and without affecting the personal liability of any person for payment of the indebtedness secured hereby, Trustee may, or any agreement subordinating the lien or charge hereof.

(4) That upon written request of beneficiary stating that all sums secured hereby have been paid, and upon surrender of this Deed and said note to Trustee for cancellation and retention or other disposition as Trustee in its sole discretion may choose and upon payment of its fees, Trustee shall reconvey, without warranty, the property then held hereunder. The recitals in such reconveyance of any matters or facts shall be conclusive proof of the truthfulness thereof. The Grantee in such reconveyance may be described as "the person or persons legally entitled thereto"

(5) That as additional security Trustor hereby gives to and confers upon Beneficiary the right, power and authority during the continuance of these Trusts, to collect the rents, issues and profits of said property, reserving unto Trustor the right, prior to any default by Trustor in payment of any indebtedness secured hereby or in performance of any agreement hereunder, to collect and retain such rents, issues and profits as they become due and payable. Upon any such default, 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 adequacy of any security for the indebtedness hereby secured, enter upon and take possession of said property or any part thereof, in his own name sue for or otherwise collect such rents, issues, and profits, including those past due and unpaid, and apply the same, less costs and expenses of operation and collection, including reasonable attorney's fees, upon any indebtedness secured hereby, and in such order as Beneficiary may determine. The entering upon and taking possession of said property, the collection of such rents, issues and profits and the application thereof as aforesaid, shall not cure or waive any default or notice of default hereunder or invalidate any act done pursuant to such notice

(7) Beneficiary, or any successor in ownership of any indebtedness, shall not be entitled to any proceeds of any matters or facts shall be conclusive proof of the

(8) That this Deed applies to, inures to the benefit of, and binds all parties hereto, their heirs, legatees, devisees, administrators, executors, successors and assigns. The term Beneficiary shall mean the owner and holder, including pledges, of the note secured hereby, whether or not named as Beneficiary herein. In this Deed, whenever the context so requires, the masculine gender includes the feminine and/or neuter, and the singular number includes the plural.

(9) That 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 per diem sale under any other Deed of Trust or of any action or proceeding in which Trustor, Beneficiary or Trustee shall be a party unless brought by Trustee.

C This is an All-Inclusive Deed of Trust and is subject and subordinate to the Deeds of Trust now of record as follows:

2a. See Exhibit "B" (If a Third Trust Deed Exists, complete (3) below.)

3. Third Trust Deed in the original amount of \$ _____ recorded in Book _____ Page _____
official Records of _____

D. Providing Trustor is not in default in the payment of the Promissory Note secured hereby. Beneficiary under this Deed of Trust, his heirs, devisees, legatees, administrators, executors, and assigns shall make due and timely payments of all installments due on the first (Second and/or Third) Deeds of Trust securing Promissory Notes as set forth in Paragraph C above.

E. Should the Beneficiary under this All Inclusive Deed of Trust default in any of the installments as to the payments due on the First (Second and/or Third) Deeds of Trust of which this is subject and subordinate to, the Trustor herein may make said payments directly to the Beneficiary thereof, and any and all payments so made shall be credited to the Note which is secured by this Deed of Trust.

F. Any failure by Beneficiary under this All-Inclusive Deed of Trust to perform as set forth above will render Beneficiary liable to pay all costs which may be incurred by reason of any notices or foreclosures filed on any of the above senior Deeds of Trust of record, which if paid by Trustor herein, shall further reduce the balance owed to Beneficiary hereunder.

G. At any time Trustor has paid in full Beneficiary's obligations hereunder, Beneficiary shall cause to be recorded a Reconveyance of this All-Inclusive Deed of Trust, mark the Promissory Note secured hereby paid in full and deliver same to Trustor. Beneficiary's equity shall be defined as the balance of accrued interest and unpaid principal owed to Beneficiary on the Deeds of Trust referenced in XXXXXXXXXX.

1. In the event Trustor fails to meet the payments required under the Promissory Note secured hereby, then such failure shall constitute a default under this All-Inclusive Deed of Trust entitling Beneficiary to all of the rights and remedies hereunder. Further, in such event Beneficiary shall have the option of continuing to keep current the obligation owed to the holder of the Notes secured by the First (Second and/or Third) Deeds of Trust on the property secured hereby, or in the sole discretion of Beneficiary, pay off in full said obligation of said holders, or permit the property to be foreclosed upon. Any such payments, made at the option of the Beneficiary, shall reduce the amount Beneficiary is obligated to pay to the holders of the First (Second and/or Third) Deeds of Trust, but shall not reduce the balance owed under this All-Inclusive Deed of Trust securing the Promissory Note owed by Trustor to Beneficiary. Any costs incurred by the Beneficiary by way of foreclosure action taken by the First (Second and/or Third) Deeds of Trust shall, if paid or assessed to Beneficiary, be the obligation of Trustor hereunder and added to the unpaid balance due under the Note secured hereby. Remedies of Beneficiary include, but are not limited to, the commencement of foreclosure under power of sale, pursuant to Civil Code of the State of California, Sections 2924, et seq.

Beneficiary, for himself and his successors and assigns, agrees that in the event of foreclosure of this All-Inclusive Deed of Trust he will offset his bid (as provided for in California Civil Code Section 2924 h (b)) by an amount not exceeding that amount representing the total amount then due under the note secured hereby plus any advances or other disbursements which Beneficiary, and his successors or assigns, may by law be permitted to include as an offset to his bid, less the then actual total balance due upon any notes or obligations included within the note secured hereby and secured by prior deed of trust covering the real property, or any portion thereof, described therein

All references herein shall be properly construed with the masculine including the feminine and/or neuter with the singular including the plural or vice versa whenever the context so dictates.

k. The Trustor and beneficiary agree that the beneficiary may obtain substitute financing on the underlying loan listed in C1 and 2 of this Deed of Trust in the event that the promissory notes are called by the lenders now existing. Said substitute financing shall be in an amount not to exceed the then principal balance of said loan plus costs of refinancing. Trustor agrees to subordinate to said new loan and to execute any and all documents therefor and cooperate with beneficiary in every way to obtain said new loan. Trustor agrees with beneficiary that Trustor will split the interest adjustment of the new refinance such as to increase the interest rate payable on the promissory note stated herein by one-half of the percentage increase on the underlying principal amount refinanced. For example, if the underlying loan is \$50,000 and payable at 9% and the new substitute financing is \$50,000 payable at 13%, then Trustor agrees to pay one-half of the difference which would be 2% over and above the principal amount of \$50,000 on the promissory note herein which is at the principal rate of 10%. Therefore, the \$50,000 would be payable at 12% after said refinancing had been obtained. Should Trustor default or not execute the proper documents to obtain said refinancing, then he shall be in default under the terms of this Deed of Trust and promissory note and all sums secured hereby shall immediately become due and payable and said sums shall be paid by delivery to Trustee of written declaration of default and demand for sale and written notice of default and election to cause to be sold said property, which notice Trustee shall cause to be filed for record. Beneficiary shall deposit with Trustee this deed, said note and all documents evidencing said default and expenditures secured hereby.

NOTE: THE PARTIES HERETO ARE CAUTIONED THAT, BY COMPLETING AND EXECUTING THIS ALL-INCLUSIVE DEED OF TRUST, LEGAL RIGHTS AND DUTIES ARE CREATED. THEY ARE ADVISED TO SEEK INDEPENDENT LEGAL COUNSEL AS TO ALL MATTERS CONTAINED IN THIS DOCUMENT.

The undersigned Trustor requests that a copy of any notice of default and any notice of sale hereunder be mailed to him at his address hereinbefore set forth.

17002

19369

(Trustor) Fred E. Severo
FRED E. SEVERO

(Individual)

STATE OF CALIFORNIA
COUNTY OF Ventura

Michael P. Severo
MICHAEL P. SEVERO

On September 19, 1983

State, personally appeared FRED E. SEVERO and MICHAEL P. SEVERO before me, the undersigned, a Notary Public in and for said State, of satisfactory evidence

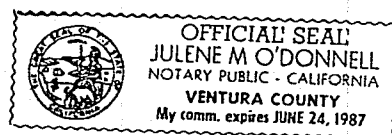
to be the person, s whose name s are they subscribed to the within instrument and acknowledged that they executed the same.

WITNESS my hand and official seal.

Signature

Julene M. O'Donnell
JULENE M. O'DONNELL

Name (Typed or Printed)



(Beneficiary)

James E. Eagle

DO NOT RECORD

REQUEST FOR FULL RECONVEYANCE

STATE OF CALIFORNIA
COUNTY OF Santa Clara

On September 23, 1983

said State, personally appeared James E. Eagle before me, the undersigned, a Notary Public in and for

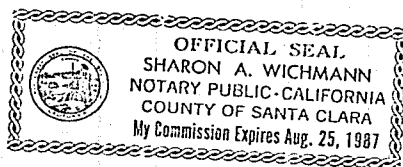
g Deed of Trust. Said note or y requested and directed, on d, and all other evidences of thout warranty, to the parties

personally known to me (or proved to me on the basis of satisfactory evidence) to be the person(s) whose name(s) is/are subscribed to the within instrument and acknowledged to me that he/she/they executed the same.

WITNESS my hand and official seal.

Signature

Sharon A. Wichmann
Sharon A. Wichmann



(This area for official notarial seal)

tion for reconveyance will be

ALL INCLUSIVE

DEED OF TRUST

WITH POWER OF SALE



First American
Title Insurance
Company

TRUSTEE

Parcel A:

A parcel of land, containing 70.61 acres, more or less, situated in Sections 31 and 32, Township 35 South, Range 7 East, Willamette Meridian, in Klamath County Oregon; being more particularly described as follows:

Beginning at a 1/2" rebar on the North right-of-way line of Toqua County Road from which the section corner common to Sections 31, 32, 5 and 6, Township 35 and 36 South, Range 7 East, Willamette Meridian bears S 00° 05' 43" E-30.00 feet; thence S 89° 56' 50" W-423.57 feet, along the North right-of-way line of Toqua County Road, to a 3/4" iron pipe;

thence N 13° 13' 47" W-3274.29 feet to a 1/2" rebar;

thence East - 443.57 feet to a 1/2" rebar;

thence North - 746.17 feet to a 1/2" rebar;

thence N 89° 35' 09" E - 720.19 feet to a 1/2" rebar;

thence S 00° 12' 33" E-1327.96 feet to a 1/2" rebar;

thence S 00° 05' 43" E-2610.44 feet to the point of beginning.

Also described as Parcel 2 of Major Land Partition No. 81-134 as filed in the Klamath County Clerks office.

SUBJECT TO: an easement, 30 feet in width, for ingress, egress and utilities, along the most Southwesterly boundary of this parcel.

Major Partition No. 81-134 (James Eagle)
Parcel B:

19371
17004

A parcel of land, containing 80.91 acres, more or less, situated in Section 31 and 32, Township 35 South, Range 7 East, Willamette Meridian, in Klamath County, Oregon; being more particularly described as follows:

Beginning at a 1/2" rebar on the North right-of-way line of Toqua County Road, from which the Section corner common to Sections 31, 32, 5 and 6, Township 35 and 36 South, Range 7 East, Willamette Meridian, bears S 00° 05' 43" E-30.00 feet;

thence N 00° 05' 43" W-2610.44 feet to a 1/2" rebar;

thence N 89° 38' 49" E-1340.97 feet to a 1/2" rebar on the North-South centerline of the West one-half of Section 32;

thence S 00° 25' 33" E-2617.00 feet, along said line, to a 1/2" rebar on the North right-of-way line of Toqua County Road;

thence S 89° 55' 30" W-1356.06 feet, along said right-of-way line, to the point of beginning.

Also described as Parcel 3 of Major Land Partition No. 81-134 as filed in the Klamath County Clerks Office.

EXHIBIT "B"

19372

17005

A(2) Trustors agree to carry fire insurance multi-peril and Trustors agree to pay for said policy and obtain said policy in an amount of at least \$300,000 and will name James E. Eagle as one of the three primary lenders. Trustors will include in said policy and pay for liability insurance coverage of at least \$300,000 naming Eagle as an additional insured. A full copy of the policy will be provided to Eagle and failure to keep said policy in full force and effect at all times shall constitute a default of this promissory note.

A(4) The real property taxes of approximately \$1600 per year and water assessment district charges of approximately \$4.00 per acre per year will be paid by Trustors within thirty days after billed or nonpayment will constitute default of this promissory note. Any further assessments, taxes or liens upon this property shall be made within thirty days after billed or nonpayment will constitute default of this promissory note.

C2(a) Said mortgage was assigned by instrument dated May 13, 1983, recorded May 19, 1983 in Volume M82, Page 6160, microfilm records of Klamath County, Oregon to Keith L. Pickell & Cherie A. Pickell, husband and wife.

STATE OF OREGON,)
County of Klamath)
Filed for record at request of

on this 4th day of October A.D. 19 83
at 9:46 o'clock A M, and duly
recorded in Vol. M 83 of Deeds
Page 17000

EVELYN BIEHN, County Clerk

By Pat Smith Deputy

Fee \$24.00

STATE OF OREGON,)
County of Klamath)
Filed for record at request of

this 10th day of November A.D. 19 83
at 8:53 o'clock A M, and duly
recorded in Vol. M33 of Mortgages
Page 19367

EVELYN BIEHN, County Clerk

By Pat Smith Deputy

Fee \$24.00

INDEXED

D CLK