ASPEN TITLE & ESCROW, INC., an Oregon Corporation as Grantor, ASPEN TITLE & ESCROW, INC., an Oregon Corporation as JOE M. HIDALGO and ELFANOR R. HIDALGO, husband and wife with full rights of as Trustee, and

survivorship 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 2, Block 2, SUNBURST ESTATES, in the County of Klamath, State of Oregon.

THIS TRUST DEED IS AN ALL-INCLUSIVE TRUST DEED AND IS BEING RECORDED SECOND AND JUNIOR TO A FIRST TRUST DEED IN FAVOR OF HENRY T. HOLMAN AND PATRICIA R. HOLMAN.

SEE EXHIBIT "A" ATTACHED HERETO AND BY THIS REFERENCE MADE A PART HEREOF.

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-

note of even date herewith, payable to beneficiary or order and made by grantor, the final payment of principal and interest hereof, if not sooner paid, to be due and payable at maturity of note 19.

not sooner paid, to be due and payable at maturity of note 19.

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. In the event the within described property, or any part thereof, or any interest therein is sold, agreed to be sold, conveyed, assigned or alienated by the grantor without first having obtained the written consent or approval of the beneficiary, then, at the beneficiary's option, all obligations secured by this instrument, irrespective of the maturity dates expressed therein, or herein, shall become immediately due and payable.

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

sold, conveyed, assigned or alienated by the grantor without lirst then, at the beneliciary's option, all obligations secured by this inst. herein, shall become immediately due and payable.

The chove described real property is not currently used for agricult. The chove described real property is not currently used for agricult. To protect, preserve and maintain said property in good condition and repair; not to the protect of insurance paid the protect of the protec

(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 fien or charge thereof; (d) reconvey, without warranty, all or any part of the property. The grantee in any reconveyance may be described as the "person or person legally entitled thereto," and the recitals therein of any matters or facts shall be conclusive proof of the truthfulness thereof. Trustee's lees for any of the services mentioned in this paragraph shall be not less than \$5.

O. Upon any default by grantor 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 adequacy of any security of the indebtedness hereby secured, enter upon and take possession of said property and profits, including those past due and unpaid, and apply the same, less costs and expenses of operation and collection, including reasonable atom-less to the entering upon and taking possession of said properties the properties of th

ney's fees upon any indebtedness secured hereby, and in such order as beneliciary may determine.

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 election may proceed to foreclose this trust deed
in equity as a mortsage or direct the truste to foreclose this trust deed by
advertisement and sale. In the latter event the beneficiary or the trustee shall
to sell the said described real property to satisfy the obligation secured
hereby whereupon the trustee shall lix the time and place of sale, give notice
thereof as then required by law and proceed to foreclose this trust deed in
the manner provided in ORS 86.735 to 86.795.

the manner provided in ORS 86.735 to 86.795.

13. After the trustee has commenced foreclosure by advertisement and sale, and at any time prior to 5 days before the date the trustee conducts the sale, the grantor or any other person so privileged by ORS 86.753, may cure the default or defaults. If the default consists of a failure to pay, when due, sums secured by the trust deed, the default may be cured by paying the entire amount due at the time of the cure other than such portion as would not then be due had no default occurred. Any other default that is capable of being cured may be cured by tendering the performance required under the obligation or trust deed. In any case, in addition to curing the default or defaults, the person effecting the cure shall pay to the beneficiary all cost and expenses actually incurred in enforcing the obligation of the trust deed together with trustees and attorney's lees not exceeding the amounts provided by law.

logetine with insides and automotive to the property of the pr

the grantor and peneticiary, 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 possity and (4) the surplus, if any, to the grantor or to his successor in interest entitled to such surrolus.

surplus.

16. Beneliciary may from time to time appoint a successor or successors to any trustee named herein or to any successor trustee appointed herein of 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 beneliciary, which, when recorded in the mortgage records of the country or counties in which the property is situated, shall be conclusive proof of proper appointment of the successor trustee.

of the successor trustee.

17. Trustee accepts this trust when this deed, duly executed and acknowledged in made a public record as provided by law. Trustee is not obligated to notily any party hereto of nending 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 sovings 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

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 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 apposite.) STATE OF ORDERON. County of Sacramento 5ss. August 15 ,19 85 , 19..... Personally appeared the above named.

Darrel D. Deuel and Janet L. Deuel Personally appearedwho, each being first duly sworn, did say that the former is the..... proved to me on the basis of president and that the latter is the satisfactory evidence 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. - МХХИК ДОГАЗОМУ ХИК ИЗВЕНИЯ ИЗВИТИЯ their voluntary act and deed. Retore me: (OFFICI<u>AL</u> Before me: and a Notary Public for Oregon SEAL) 7 Ou LINDA K. BRAY Notary Public for Orgeon Californ NOTARY PUBLICOFFICIAL My commission expires: March 16, 988y commission expires: My Commission Expires March 16, 1988 SACRAMENTO COUNTY, CALIFORNIAL) ************ REQUEST FOR FULL RECONVEYANCE To be used only when obligations have been paid. 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 STATE OF OREGON, (FORM. No. 881) County of SS I certify that the within instrument Darrel D. Deuel was received for record on the)..... day of,/, 19....., Janet L. Deuel ato'clockM., and recorded Grantor SPACE RESERVED in book/reel/volume No. on Joe M. Hidalgo FOR page or as fee/file/instru-RECORDER'S USE ment/microfilm/reception No....., Eleanor R. Hidalgo Record of Mortgages of said County. Beneficiary Witness my hand and seal of AFTER RECORDING RETURN TO County affixed. ASPEN TITLE & ESCROW, INC.

EXHIBIT "A"

THIS TRUST DEED IS AN "ALL-INCLUSIVE TRUST DEED" AND IS SECOND AND SUBORDINATE TO THE TRUST DEED NOW OF RECORD DATED JANUARY 20, 1978, AND RECORDED FEBRUARY 7, 1978 IN BOOK M-78 AT PAGE 2215, AND ASSIGNMENT OF TRUST DEED RECORDED SEPTEMBER 29, 1982 IN BOOK M-82 AT PAGE 12991 IN THE OFFICIAL RECORDS OF KLAMATH COUNTY, OREGON, IN FAVOR OF HENRY T. HOLMAN AND PATRICIA R. HOLMAN, AS BENEFICIARY, WHICH SECURES THE PAYMENT OF A NOTE THEREIN MENTIONED. JOE M. HIDALGO AND ELEANOR R. HIDALGO, BENEFICIARY HEREIN AGREES TO PAY, WHEN DUE, ALL PAYMENTS DUE UPON THE SAID PROMISSORY NOTE IN FAVOR OF HENRY T. HOLMAN AND PATRICIA R. HOLMAN, AND WILL SAVE GRANTORS HEREIN, DARREL D. DEUEL AND JANET L. DEUEL, HARMLESS THEREFROM. SHOULD THE SAID BENEFICIARY HEREIN DEFAULT IN MAKING ANY PAYMENTS DUE UPON SAID PRIOR NOTE AND TRUST DEED, GRANTOR HEREIN MAY MAKE SAID DELINQUENT PAYMENTS AND ANY SUMS SO PAID BY GRANTOR HEREIN SHALL THEN BE CREDITED UPON THE SUMS NEXT TO BECOME DUE UPON THE NOTE SECURED BY THIS TRUST DEED.

STATE OF OREGON: COUNTY OF KLAMATH: ss.		
Filed for rec	ord at request of	the 22nd day
ofAugu		and duly recorded in Vol. M85
	Evelyn Bie	thn, County Clerk
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