

59664
WHEN RECORDED MAIL TO
NATIONAL MORTGAGE CO.
621 SW Morrison, Suite 550
Portland, OR 97205-3800

MSU Page - 5174

DEED OF TRUST AND ASSIGNMENT OF RENTS

THIS DEED OF TRUST made this 17th day of March, 1986, between
MARY L. PARKER, formerly Mary L. George and FRED W. VEIGA, each to
an undivided one-half interest
hereinafter called Trustor, and STEWART TITLE COMPANY
(an) Texas corporation, hereinafter called Trustee, and NATIONAL MORTGAGE CO.,
an Oregon corporation, hereinafter called Beneficiary, WITNESSETH:
That Trustor irrevocably grants, bargains and sells to Trustee in trust, with power of sale, that property in
the City of Oregon, County of Klamath, State
of Oregon, described as follows:

Lots 69, 70, 71, 72, 73 and 74, BALSIGER TRACTS, in the
County of Klamath, State of Oregon

Together with the rents, issues and profits thereof, subject, however, to the right, power and authority hereinafter given
to and conferred upon Trustor to collect and apply such rents, issues and profits prior to any default hereunder; and including
all buildings and improvements now or hereafter thereon, and all appurtenances, easements, right in party walls, water and
water rights, pumps and pumping plants and all shares of stock evidencing the same; all machinery, equipment, appliances
and fixtures for generating or distributing air, water, heat, electricity, light, fuel or refrigeration, or for ventilating or
sanitary purposes, or for the exclusion of vermin or insects, or for the removal of dust, refuse or garbage; all wallbeds,
wallcases, built-in furniture and installations, shelving, lockers, partitions, door stops, vaults, elevators, dumbwaiters,
awnings, window shades, venetian blinds, light fixtures, fire hoses and brackets and boxes for same, fire sprinklers, alarm
systems, drapery rods and brackets, screens, linoleum, carpets, plumbing, laundry tubs and trays, ice boxes, refrigerators,
heating units, stoves, water heaters, incinerators, communication systems, all installations for which any such
building is specifically designed and

all of said items whether now or hereafter installed being hereby declared to be, for all purposes of this Deed of Trust, a part of
the realty, and all the estate, interest or other claim or demand including insurance, in law as well as in equity, which
Trustor now has or may hereafter acquire, in and to the aforesaid property; the specific enumerations herein not excluding
the general. The above described real property and all of the foregoing shall constitute the "Trust Property".

The Trustor hereby warrants that Trustor is the owner in fee simple absolute of the above described real property and
every part thereof; that the same is free, and will be kept free, from all liens and encumbrances, except those accepted by
Beneficiary in writing, and that the Trustor will defend the title hereby granted to and in favor of the Trustee and
Beneficiary as against all and every person claiming or to claim the same; and Trustor covenants that the loan proceeds are
not for use primarily for personal, family or household purposes.

This Deed of Trust is made for the purpose of securing, in such order of priority as Beneficiary may elect, payment of
(1) the indebtedness in the sum of \$ 375,000.00 evidenced by that certain Promissory Note of even date
hereinwith (the "Note") made by Trustor, delivered to Beneficiary and payable to its order, with final payment due on the

1st day of April, 1996, which is the maturity date of this Deed of Trust and any and all
modifications, extensions or renewals thereof, whether hereafter evidenced by said Note or otherwise; (2) interest on said
indebtedness according to the terms of said Promissory Note; (3) all other sums, with interest as herein provided, becoming
due and payable under the provisions hereof to Trustee or Beneficiary; (4) performance of each and every condition,
obligation, covenant, promise or agreement contained herein, or in said Note, or in any loan agreement relative to any
indebtedness evidenced by said Note, or in any security agreement or Deed of Trust at any time given to secure any
indebtedness hereby secured or any part thereof; (5) such additional sums with interest thereon as may be hereafter
borrowed from the beneficiary, its successors or assigns, by the then record owner or owners of said property when evidenced
by another Promissory Note or notes which are by the terms thereof secured by this Deed of Trust.

If located in Idaho, the Trust Property either is not more than twenty (20) acres in area or is located within an incorporated
city or village. If located in Washington, the Trust Property is not used principally for agricultural or farming purposes. If
located in Oregon, the Trust Property is not now used for agricultural, timber or grazing purposes. If located in Montana, the
Trust Property is not more than 15 acres.

A. Trustor agrees:

1. To keep the Trust Property in good condition and repair; not to permit or suffer any extraordinary repairs or removal
or demolition of, or a structural change in, any building, fixture, equipment, or other improvement on the Trust Property; to
comply with all laws, ordinances, regulations, covenants, conditions and restrictions affecting the Trust Property or
requiring any alteration or improvements to be made thereon; not to commit or permit waste thereon; not to commit, suffer or
permit any act upon the Trust Property in violation of law; to cultivate, irrigate, fertilize, prune and do all other acts which
from the character or use of the Trust Property may be reasonably necessary, the specific enumeration herein not excluding
the general; and to keep the Trust Property free from all encumbrances, except those accepted by Beneficiary in writing.

2. To complete or restore promptly and in good and workmanlike manner any buildings or improvements which may be constructed, damaged, or destroyed on the Trust Property, and pay when due all costs incurred therefor, and, if the loan secured hereby or any part thereof is being obtained for the purpose of financing construction of improvements on the Trust Property, Trustor further agrees: to complete same in accordance with plans and specifications satisfactory to Beneficiary, to allow Beneficiary to inspect the Trust Property at all times during construction, to replace any work or materials unsatisfactory to Beneficiary within fifteen (15) calendar days after notice from Beneficiary of such fact. If said work upon the construction or restoration of the building or buildings shall be discontinued for a period of fifteen (15) days, the Beneficiary may, at its option, also enter into and upon the Trust Property and complete the construction or restoration of said building or buildings. The Trustor hereby gives to the Beneficiary full authority and power to make such entry and to enter into such contracts or arrangements as may be necessary to complete or restore said building or buildings and all monies expended by the Beneficiary in connection with such completion or restoration shall be added to the principal thereof advanced under the Note and secured by these presents and shall be payable by the Trustor on demand with interest as provided in the Note.

The Trustee, upon presentation to it of an affidavit signed by Beneficiary setting forth facts showing a default by Trustor under this numbered paragraph or under any other provision of this Trust Deed, is authorized to accept as true and conclusive all facts and statements therein, and to act thereon hereunder.

3. To keep the buildings and improvements now and/or hereafter upon the Trust Property unceasingly insured against loss by fire and other hazards in such amount and form as may be required by the Beneficiary, the policy to contain waiver of the fallen building clause, the insurance to be payable in case of loss to the Beneficiary as its interest may appear, all renewal policies to be delivered to the Beneficiary at least ten (10) days prior to the expiration of the policy or policies as renewed. All insurance policies covering any structure upon said premises, regardless of amount, shall be payable as aforesaid, shall be carried in companies approved by Beneficiary, and delivered to the Beneficiary. Beneficiary, in case of loss, may make proof of claim. The amount collected under any fire or other insurance policy may be applied by the Beneficiary upon any indebtedness secured hereby and in such order as Beneficiary may determine, without regard to whether or not its security is impaired, or, at the sole and absolute option of Beneficiary, the entire amount so collected or any part thereof may be released to Trustor, but in any event Beneficiary may deduct and retain from the proceeds of such insurance the amount of all expenses incurred by it in connection with any such settlement. 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.

4. 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, or appeal therefrom, in which Beneficiary or Trustee may appear.

5. To pay, at least ten days before the due date (and, in the case of annual property taxes, before the first installment thereof becomes due), all taxes and assessments affecting the Trust Property or upon this Deed of Trust or the debt secured thereby, or against the Beneficiary by reason of the ownership of this Deed of Trust and the Note, or either of them, including assessments on appurtenant water stock; when due, all encumbrances, charges and liens, with interest, on the Trust Property or any part thereof, which appear to be prior or superior hereto and to deliver to the Beneficiary upon request the official receipt or receipts showing payment thereof; and all costs, fees and expenses of this trust.

6. Unless this covenant is prohibited by law or waived in writing by Beneficiary, to pay each year to Beneficiary, together with and in addition to the monthly payments of principal and interest payable under the terms of the Note secured hereby, until the Note is fully paid, in equal monthly installments, the estimated amount of the annual property taxes, assessments, insurance premiums and similar charges next payable, as estimated by Beneficiary. If at any time Beneficiary determines that such payments will not be sufficient to account for each such charge on its due date (and in the case of annual property taxes, on the due date of the first installment thereof), Trustor will pay to Beneficiary, upon demand, additional sums as necessary to account for such deficiency. At its election:

(a) Beneficiary may apply the sums required under this paragraph 6 (without prepayment charge and without limiting the privilege, if any, to prepay any amounts secured hereby) first to accrued interest and then to the principal balance secured hereby. Beneficiary is authorized to pay each such charge when it (and in the case of annual property taxes, the first installment thereof) is due. The amounts so paid will be added to the principal balance secured hereby and bear interest at the rate applicable from time to time to the principal balance; or

(b) Beneficiary may retain the sums received under this paragraph 6 and apply them to such charges when they (and in the case of annual property taxes, the first installment thereof) become due. Sums received shall not earn interest and may be commingled with other funds of Beneficiary. If Beneficiary is required by law to pay interest on these sums Beneficiary may, to the extent permitted by law, impose a charge for holding and disbursing such funds.

As an additional covenant hereof, and in any event if the foregoing provision for prepayment is at any time prohibited by law, or waived in writing by Beneficiary, or Trustor fails to make payments in the full amount required under this paragraph 6, Trustor shall pay such charges when they (and in the case of annual property taxes, the first installment thereof) are due and, upon demand, provide Beneficiary with satisfactory evidence of payment and coverage.

7. Should Trustor fail to make any payment or to do any act as provided for in this subdivision A, 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 the Trust Property for such purpose. The Beneficiary and/or Trustee may at any time, prior to full payment of all sums secured by this Trust Deed, 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 encumbrance, charge or lien which in the judgment of either appears to be prior or superior hereto; and, in exercising any power conferred by this Trust Deed, pay necessary expenses, employ counsel and pay reasonable fees therefor. Trustor agrees to repay immediately and without demand all sums so expended by Beneficiary or Trustee with interest from date of expenditure at the Default Rate as herein provided.

8. To fully perform all the terms and conditions on Trustor's part to be performed in any existing or future lease with respect to which Trustor is lessor covering all or a portion of the property, and that Trustor will not, without the prior consent of Beneficiary, terminate, cancel or accept the surrender of, or suffer or permit the termination, cancellation or surrender of such lease, except upon the expiration of the term thereof, or materially modify or alter, or suffer or permit the material modification or alteration of such lease. Trustor further covenants and agrees not to enter into any lease for a term in excess of three years of all or any portion of the above described real property without the prior consent of Beneficiary.

9. To pay all premiums upon any life insurance policy which may be held by the Beneficiary as additional security for the debt herein referred to.

10. To pay Beneficiary, to the extent permitted by law, a reasonable fee, as determined by Beneficiary, for providing to Trustor or a third party a statement concerning the obligations secured by this Deed of Trust or any other information requested by Trustor or the third party.

B. It is mutually agreed that:

1. The proceeds of any award or claim for damages, direct or consequential, in connection with any condemnation or other taking of or damage or injury to the Trust Property, or any part thereof, or for the conveyance in lieu of condemnation thereof, are hereby assigned to and shall be paid to Beneficiary. In addition, all causes of action, whether accrued before or after the date of this Deed of Trust, of all claims for damages or injury to the Trust Property or any part thereof, including without limitation causes of action arising in tort or contract and causes of action for fraud or concealment of a material fact, are hereby assigned to Beneficiary and the proceeds shall be paid to Beneficiary. Beneficiary may elect, in its sole discretion, without regard to whether its security is impaired, to apply such sums to the indebtedness secured by this Deed of Trust, whether then matured or subsequently to mature, or to release such sums or any part thereof.
2. By accepting payment of any sum secured hereby after its due date, Beneficiary does not waive its right either to require prompt payment when due of all other sums so secured or to declare default for failure so to pay.
3. At any time or from time to time, without liability therefor and without notice, upon written request of Beneficiary and presentation of this Deed of Trust and the Note for endorsement, and without affecting the personal liability of any person for payment of the indebtedness secured hereby, Trustee may reconvey all or any part of the Trust Property; consent to the making of any map or plat thereof; join in granting any easement hereon; or join in any extension agreement or in any agreement subordinating the lien or charge hereon.
4. Upon written request of Beneficiary stating that all sums secured hereby have been paid, and upon surrender of this Deed of Trust and the Note to Trustee for cancellation and retention and upon payment of its fees, Trustee shall reconvey, without warranty, the property then held hereunder. The recitals in such reconveyance of any matter 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. The Beneficiary may from time to time appoint another Trustee or Trustees to execute the trusts hereby created, such appointment to be written and acknowledged and filed in the office of the county recorder where this Trust Deed is filed or recorded. Any Trustee or Trustees so appointed shall be vested with all the title and powers and subject to all the trusts conferred hereby.
6. Trustor hereby assigns the rents, issues and profits of the Trust Property and hereby gives to and confers upon Beneficiary the right, power and authority, during the continuance of this Deed of Trust, to collect the rents, issues and profits of the Trust 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, the solvency of Trustor, or the presence of waste or danger of loss or destruction of the Trust Property, enter upon and take possession of the Trust Property or any part thereof, and any personal property in which Beneficiary has a security interest as additional security for the indebtedness secured by this Deed of Trust, and in its 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 the Trust 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. Time is material and of the essence hereof. If Trustor does not pay the secured indebtedness as provided, or if Trustor does not comply with the provisions of this Deed of Trust, or if a proceeding under any bankruptcy, receivership or insolvency law be instituted by or against Trustor, or if the Trustor makes an assignment for the benefit of creditors, or if state laws are changed hereafter to impose what Beneficiary may deem to be a substantial tax upon Beneficiary by reason of its interest in this Deed of Trust (unless Trustor may lawfully pay such tax and does so), this Deed of Trust shall be in default. Any default under this Deed of Trust shall constitute a default under the Note and under all other security instruments securing the Note. Any default under such other security instruments shall constitute a default under this Deed of Trust. Upon default, Beneficiary may (but if the Trust Property is located in Nevada, only after the period of time required by law) declare all sums secured hereby immediately due and payable by delivery to Trustee of written declaration of default and demand for sale and of written notice of default and of election to cause to be sold the Trust Property, which notice Trustee shall cause to be recorded, filed for record, mailed, published and/or posted as may be required by law. Beneficiary also shall deposit with Trustee this Deed of Trust, the Note and all documents evidencing expenditures secured hereby. Any sum not paid as provided hereunder in the Note or any other security instrument securing the Note shall bear interest from such due date at a rate of interest four (4) percentage points per annum greater than the Note Rate or the maximum rate permitted by law, whichever is the lesser, the "Default Rate". If a default occurs during a period of time in which prepayment is permitted only on payment of a prepayment charge, such charge shall be computed as if the sum declared due on default were a prepayment and shall be added to the sums due and payable under the Note.
8. After the lapse of the period required by law following the recording of said notice of default, and notice of sale having been given as required by law (which notice of the time and place of the sale, if the Trust Property is located in Colorado, will be published weekly in a newspaper of general circulation in the county in which the Trust Property is located for not less than four weeks), Trustee, without demand on Trustor, shall sell the Trust Property at the time and place fixed by it in said notice of sale, either as a whole or in separate parcels, and in such order as it may determine, or otherwise in the manner prescribed by law, at public auction to the highest bidder for cash in lawful money of the United States, payable at time of sale. Trustee may postpone sale of all or any portion of the Trust Property by public announcement at such time and place of sale, and from time to time thereafter may postpone such sale by public announcement at the time fixed by the preceding postponement. Trustee shall deliver to such purchaser its deed conveying the property so sold, but without any covenant or warranty, express or implied. The recitals in such Deed of any matters or facts shall be conclusive proof of the truthfulness thereof. Any person, including Trustor, Trustee, or Beneficiary as hereafter defined, may purchase at such sale. All unexpired hazard insurance on the property so sold shall pass to and inure to the benefit of the purchaser of such property at such sale and Beneficiary is hereby irrevocably authorized to assign in Trustor's name to such purchaser of all such policies, which may be amended or rewritten to show the interest of such purchaser.
9. After deducting all costs, fees and expenses of Trustee and of this Deed of Trust, including cost of evidence of title in connection with sale, Trustee shall apply the proceeds of sale to payment of all sums expended under the terms hereof, not then repaid, with accrued interest at the Default Rate as herein provided; all other sums then secured hereby; and the remainder, if any, to the person or persons legally entitled thereto.
10. If Beneficiary elects to commence suit for the foreclosure of this Deed of Trust, Trustor agrees to pay to Beneficiary or Trustee (whichever may be the plaintiff in said foreclosure suit) the costs of such suit and such reasonable sum for attorney's fees as the court may allow, including those on appeal, whether said suit be brought to a decree or not, and also such further sums, if any, as Beneficiary or Trustee shall have paid for procuring an abstract of, or search of, the title to the Trust Property subsequent to the execution of this Deed of Trust, and also a reasonable fee for Trustee. All moneys herein agreed to be paid shall be secured hereby. Trustor consents to a personal deficiency judgment for any part of the debt hereby secured which shall not be paid by the sale of the Trust Property, unless such judgment is prohibited by law, and expressly waives (1) any claim of homestead and (2) all rights to possession of the premises during the period allowed by law for redemption.
11. 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 the Trustor, Beneficiary or Trustee shall be a party unless brought by Trustee.

12. This deed applies to, inures to the benefit of, and binds all parties hereto, their heirs, legatees, devisees, administrators, executors, successors and assigns. The right to plead any Statute of Limitations in any suit brought upon the Note or the indebtedness thereby evidenced or to foreclose or enforce this Trust Deed or arising therefrom or by reason of any default of the Trustor, is hereby waived to the full extent permissible by law. 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.

13. a. This loan is personal to Trustor and not assignable. In making it, Beneficiary has relied on Trustor's credit, Trustor's interest in the Trust Property, and financial market conditions at the time this loan is made. If Trustor, or any successor in interest of Trustor, transfers or contracts to transfer title to or possession of all or part of the Trust Property, by deed, contract of sale, lease for a term in excess of three years or similar agreement, without the prior written consent of Beneficiary, Beneficiary may declare the entire balance of this loan immediately due and payable. In such event, and to the extent permitted by law, a prepayment charge as specified in the Note shall be added to the sums due and payable in the Note and this Deed of Trust.

b. Beneficiary will waive its right under the foregoing provisions of this paragraph if the following conditions are met: (i) the credit of proposed transferee is satisfactory to Beneficiary; (ii) the proposed transferee shall assume full personal liability for payment and performance of the Note, this Deed of Trust and any other security instruments securing the Note; (iii) Beneficiary's reasonable administrative costs, as determined by Beneficiary, are paid to Beneficiary; (iv) at Beneficiary's sole option, either the interest rate on the secured loan is increased by not more than three percent (3%), or Beneficiary is paid a lump sum compensation not to exceed five percent (5%) of the loan balance; and (v) the provisions in the Note, this Deed of Trust and any other instrument securing the Note regarding the maturity, amortization or prepayment of this loan shall be modified, at Beneficiary's sole option, to conform to provisions being offered by Beneficiary in similar loans at the time Beneficiary's waiver is sought, or in the event Beneficiary is not offering similar loans at such time, on such reasonable terms as Beneficiary may determine. Without limiting the generality or effect of the foregoing, waiver by Beneficiary of its right to accelerate the loan upon any transfer or contract to transfer, or to require satisfaction of the conditions set forth in subparagraph (b), shall not be deemed a waiver by Beneficiary of its right to accelerate the loan upon any other transfer or contract to transfer or of its right upon such transfer to require satisfaction of the conditions set forth above in subparagraph (b).

c. Any changes in the provisions in the Note, this Deed of Trust, or any other instrument securing the Note resulting from the satisfaction of the conditions set forth in paragraph 13(b) above shall entitle Beneficiary to increase the amount of the monthly installment to an amount determined by Beneficiary to be sufficient to amortize this Loan within the remainder of the amortization period originally used by the Beneficiary to establish the original monthly payment amount for this Loan.

d. For the purpose of, and without limiting the generality of the foregoing, the occurrence at any time of any of the following events, without Beneficiary's prior written consent, shall be deemed to be a transfer of title to the Trust Property.

- (i) Any sale, conveyance, assignment or other transfer of, or the grant of a security interest in, all or any part of the legal and/or equitable title to the Trust Property;
- (ii) Any sale, conveyance, assignment or other transfer of, or the grant of a security interest in, any share of stock of the Trustor;
- (iii) Any sale, conveyance, assignment or other transfer of, or the grant of a security interest in, any general partnership interest in Trustor; or
- (iv) Any sale, conveyance, assignment or other transfer of, or the grant of a security interest in, twenty-five percent (25%) or more of all limited partnership interests in Trustor.

e. Assumption shall NOT release Trustor or any successor in interest from personal liability for payment and performance of the terms and conditions of this loan.

14. If any payment is not received by Beneficiary (or by the correspondent if a correspondent has been designated by Beneficiary to receive payments) within fifteen (15) calendar days after its due date, Beneficiary, at its option, may assess a late charge equal to three cents for each \$1.00 of each overdue payment or the maximum late charge permitted by the laws of the state in which the Trust Property is located, whichever is less. Such late charge shall be due and payable on demand, and Beneficiary at its option, may (a) refuse any late payment or any subsequent payment unless accompanied by such late charge, (b) add such late charge to the principal balance of the Note or (c) treat the failure to pay such late charge as demanded as a default hereunder. If such late charge is added to the principal balance of the Note, it shall bear interest at the same rate applicable from time to time to the principal balance. Trustor recognizes that a default in making the payments herein agreed to be paid when due will result in the Beneficiary incurring additional expense in servicing the loan, loss to the Beneficiary of the use of the money due, and in frustration to the Beneficiary in meeting its other commitments. Trustor agrees that if for any reason it fails to pay any amounts due under the Note within fifteen (15) days after the date such amounts are due, Beneficiary shall be entitled to damages for the detriment caused thereby, but that it is extremely difficult and impractical to ascertain the extent of such damages. Trustor therefore agrees that the late charge described in this paragraph is a reasonable estimate of such damages.

15. Any Trustor who is a married person hereby expressly agrees that recourse may be had against his or her other property, however owned, but without hereby creating any lien or charge thereon, for any deficiency due after sale of the Trust Property; except that this provision shall not apply in the case of a Trustor who executes this Deed of Trust but not the Note secured hereby.

16. If a Trustor who is a married person executes this Deed of Trust, but not the Note secured hereby, it is understood that this shall not be construed, of itself, as any evidence as to whether or not such Trustor in fact has any interest in the property hereinabove described, or expects to acquire any interest therein. Such Trustor executes this Deed of Trust solely to protect the Beneficiary, in the event that such Trustor does in fact now have, or should later acquire, by any means whatsoever, an interest in said property.

17. To the extent permitted by law, Trustor hereby releases and waives all rights to any homestead exemption in the Trust Property and releases and waives all rights of dower and curtesy in the Trust Property.

18. Trustor, for Trustor and for all persons hereafter claiming through or under Trustor or who may at any time hereafter become holders of liens junior to the lien of this Deed of Trust, hereby expressly waives and releases all rights to direct the order in which any of the Trust Property shall be sold in the event of any sale or sales pursuant hereto and to have any of the Trust Property and/or any other property now or hereafter constituting security for any of the indebtedness secured hereby marshaled upon any foreclosure of this Deed of Trust or of any other security for any of said indebtedness.

19. In the event any provision contained in this Deed of Trust shall for any reason be held to be invalid, illegal or unenforceable in any respect, such invalidity, illegality or unenforceability shall not affect any other provision of this Deed of Trust, but this Deed of Trust shall be construed as if such invalid, illegal or unenforceable provision had never been contained herein.

20. Notwithstanding any other provision of this Deed of Trust, any person who executes this Deed of Trust, but not the Note secured hereby, shall have no personal liability on the Note or for any deficiency judgment which may be obtained upon foreclosure of this Deed of Trust. Such persons, jointly and severally waive presentment, demand, protest and all notices and agree that Beneficiary, without notice to them or their consent, and upon such terms as Beneficiary may deem advisable, and without affecting in any way Beneficiary's rights hereunder as against the Trust Property, may:

- Extend, release, surrender, exchange, compromise, discharge or modify any right or obligation secured by or provided by this Deed of Trust or any other instrument securing this loan, or
- Take any other action which Beneficiary may deem reasonably appropriate to protect its security interest in the Trust Property.

21. If the Trust Property is located in Nevada, then to the extent not inconsistent with the foregoing provisions of this Deed of Trust, the following covenants, numbers 1, 2 (full replacement value), 3, 4 (12 percent) 5, 6, 7 (a reasonable percentage), 8 and 9 of NRS 107.030 are hereby adopted and made a part of this Deed of Trust.

22. The law of the State of Oregon shall govern the validity, interpretation, construction and performance of this Deed of Trust.

23. Upon demand, Trustor will provide Beneficiary with operating statements and other financial information relevant to the use, operation and income of the Trust Property, including reasonable access to the books and records.

24. Prepayment charges will be imposed, as specified in the Note, to the extent permitted by law, whether the payment obligations or any other obligations under the Note or under any instrument securing the Note, or (c) required by Beneficiary as provided herein in connection with a transfer or contract to transfer the Trust Property, provided that no prepayment charges shall be added to sums prepaid with casualty insurance proceeds or condemnation awards.

25. Beneficiary at any time and from time to time, by instrument in writing, may substitute and appoint a successor or successors (either corporate or individual) to any trustee named herein or previously substituted hereunder, which instrument when executed, acknowledged, and recorded in the office of the Recorder of the county or counties where the Trust Property is situated shall be conclusive proof of the proper substitution and appointment of each such successor trustee or trustees, who shall then have all the title, powers, duties and rights of the predecessor trustee, without the necessity of any conveyance from such predecessor. Trustee accepts this trust when this Deed of Trust, duly executed and acknowledged, is made a public record as provided by law. The undersigned Trustor requests that a copy of any notice of default and of any notice of sale hereunder be mailed to Trustor. Except as otherwise provided in this Deed of Trust, all notices and consents required or permitted under this Deed of Trust shall be in writing and may be telexed, cabled, delivered by hand, or mailed by first class registered or certified mail, return receipt requested, postage prepaid, and addressed as follows:

To Trustor: Mary L. Parker & Fred W. Veiga
P.O. Box 998
Waldport, OR 97394

To Beneficiary: Standard Insurance Company
P.O. Box 711
Portland, OR 97207

Changes in the respective addresses to which such notices may be directed may be made from time to time by either party by notice to the other party. Notices and consents given by mail in accordance with this paragraph shall be deemed to have been given on the date of dispatch; notices and consents given by any other means shall be deemed to have been given when received.

26. This Deed of Trust, the Note and any other security agreements securing the Note constitute the entire and complete agreement of the parties with respect to the subject matter hereof, and supersede all prior or contemporaneous understandings, arrangements and commitments, all of which, whether oral or written, are merged herein. This Deed of Trust shall bind and inure to the benefit of the parties to this Deed of Trust and any successor or assignee acquiring an interest hereunder consistent with paragraph 13 above.

Signature of Trustor

Fred W. Veiga

Mary L. Parker, formerly Mary L. George

FORM NO. 63 - REVISED 1981
STEVENS-NESS LAW PUB. CO., PORTLAND, ORE.

STATE OF OREGON,

County of Multnomah

BE IT REMEMBERED, That on this 17th day of March, 1986,
before me, the undersigned, a Notary Public in and for said County and State, personally appeared the within named Mary L. Parker and Fred W. Veiga.

known to me to be the identical individuals described in and who executed the within instrument and acknowledged to me that they executed the same freely and voluntarily.

IN TESTIMONY WHEREOF, I have hereunto set my hand and affixed my official seal the day and year last above written.

Patricia M. Easton
Notary Public for Oregon.
My Commission expires 4-9-89

REQUEST FOR FULL RECONVEYANCE

Do not record. To be used only when note has been paid.

To

, Trustee:

The undersigned is the legal owner and holder of the note or notes, and of all other indebtedness secured by the foregoing Deed of Trust. Said note or notes, together with all other indebtedness secured by said Deed of Trust, have been fully paid and satisfied; and you are hereby requested and directed, on payment to you of any sums owing to you under the terms of said Deed of Trust, to cancel said note or notes above mentioned, and all other evidences of indebtedness secured by said Deed of Trust delivered to you herewith, together with the said Deed of Trust, and to reconvey, without warranty, to the parties designated by the terms of said Deed of Trust, all the estate now held by you under the same.

Dated

19

By _____

Vice-President

By _____

Assistant Secretary

Mail Reconveyance to

STATE OF OREGON, ss.
County of Klamath

Filed for record at request of:

on this 31st day of March A.D., 19 86
at 11:50 o'clock A M. and duly recorded
in Vol. 886 of Mtges. Page 5174
Evelyn Biehn, County Clerk
By [Signature] Deputy.

Fee. \$25.00