

65311

K-38882  
SHORT FORM TRUST DEED

Vol. 1486 Page 15483

Parties:

Walter R. Ash and Virginia M. Ash Husband and Wife  
 540 Pelican Street  
 Klamath Falls OR 97601

Klamath County Title Co.  
 PO Box 151  
 Klamath Falls OR 97601

State of Oregon, by and through the  
 Director of Veterans' Affairs

Grantor(s)  
 (herein "Borrower")

Trustee

Beneficiary  
 (herein "Lender")

A. Borrower is the owner of real property described as follows:

Lot 8 in Block 1 of Chia Park, according to the official plat thereof on file in the office of the County Clerk of Klamath County, Oregon.

including all appurtenances, buildings, and existing or future improvements located thereon, and all fixtures and attachments thereto, all of which real property is hereinafter referred to as "Trust Property."

B. After changing the word "Borrower" to "Lender" in line 4 of paragraph VI on page 2, Borrower, Lender, and Trustee hereby expressly adopt and incorporate by this reference the entirety of the master form of Trust Deed recorded in the office of the county recording officer of the county in which Trust Property is located in the volume and at the page as follows:

County	Date of Record	Volume or Reel	Page	Fee No.
Klamath	12-1-82	M-82	16543	

C. Borrower is indebted to Lender in the principal sum of \$47,500.00 (Forty-seven thousand five hundred & no/100----- DOLLARS), which indebtedness is evidenced by Borrower's Note of even date herewith (hereinafter "Note"), providing for payments of principal and interest with the balance of the indebtedness, if not sooner paid, due and payable on September 1, 2016 and further evidenced by none

THEREFORE, to secure payment by Borrower of the indebtedness evidenced by the Note in strict accordance with the terms, including payment of the interest thereon, all of which terms of the Note are incorporated by this reference herein, and also in order to secure performance by Borrower of the covenants contained in the master form of Trust Deed recorded as indicated above, and in the Note covenanted by Borrower to perform, and also in order to secure repayments of any future advances, with interest thereon which may be made by Lender to Borrower, as well as any other indebtedness of Borrower to Lender which arises directly or indirectly out of the Note or this Trust Deed, Borrower hereby grants, bargains, sells and conveys to Trustee, in Trust, with power of sale, the Trust Property and presently assigns the rents, revenues, income, issues and profits therefrom to the Lender upon the terms set forth herein.

PROVIDED, HOWEVER, that until the occurrence of an event of default, as defined in the master form of Trust Deed recorded as indicated above, Borrower may remain in control of and operate and manage the Trust Property, and collect and enjoy the rents, revenues, income, issues and profits therefrom; and

PROVIDED, FURTHER, that if Borrower shall make all payments for which provision is made in the Note in strict accordance with the terms thereof and shall perform all of the covenants contained in the master form of Trust Deed recorded as indicated above, and shall make all payments due on any other indebtedness and shall perform all of the covenants contained in the Note, then Trustee shall execute and deliver to Borrower, without warranty, a reconveyance of the Trust Property.

\*\* PROVIDED, FURTHER, the unpaid balance of the indebtedness secured by this Trust Deed will become immediately due and payable in full upon the sale or other transfer of the Trust Property, or any portion of the Trust Property, to the second transferee after July 20, 1983 who is not the original borrower, surviving spouse, unmarried former spouse, surviving child or stepchild of the original borrower, or a veteran eligible for a loan under ORS 407.010 to 407.210 and Article XI-A of the Oregon Constitution.

\*\* This law has been suspended until July 1, 1987. Any transfer of a property between July 3, 1985, and July 1, 1987, will not be counted as a transfer under the 1983 "Due on Sale" law. However, transfers that occurred between July 20, 1983, and July 2, 1985, may become due on sale with the next transfer after July 1, 1987.

BORROWER covenants and warrants that the Trust Property is not currently used for agricultural, timber or grazing purposes.

IN WITNESS WHEREOF, Borrower(s) ha(s)(ve) caused this Trust Deed to be executed on the 26th day of August, 1986

P69774

LOAN NUMBER

Borrower(s)

Virginia M. Ash

STATE OF OREGON

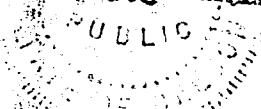
## ACKNOWLEDGMENT

JUL 23 1987  
CLERK OF COURT

15484

County of Klamath

Before me, a notary public, personally appeared the within named  
Walter R. Ash and Virginia M. Ash  
 and acknowledged the foregoing instrument to be their voluntary act and deed.  
 Witness my hand and official seal the day and year last above written.



*Larry M. Moore*  
 Notary Public for Oregon  
 My Commission Expires: 8/27/87

## RECORDING DATA

I certify that the within was received and duly recorded by me in  
 File/Record of Mortgages Book 1886 Page 15483 on the 27th day of August 19 86  
 By Evelyn Biehn, Deputy, County Records

RETURN AFTER RECORDING TO:  
 Department of Veterans' Affairs  
 155 NE Revere

Evelyn Biehn, County Clerk

Bend OR 97701

Fee: \$9.00