

MTC-1735-V

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TRUST DEED Vol 184 Page 22071

THIS TRUST DEED made this 29th day of November, 1986, between DONALD E. ROWLETT and CLAUDIA E. ROWLETT, husband and wife, as to an undivided 1/2 interest, and MARK L. RANDALL and JEANNE RANDALL, husband and wife, as Grantors, MOUNTAIN TITLE COMPANY of Klamath County as Beneficiary, DOROTHY R. BORN and DONALD W. BORN, Trustees of the DOROTHY BORN TRUST U/A dated 12/20/71 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:

SEE LEGAL DESCRIPTION ON ATTACHMENT "A" WHICH IS MADE A PART HEREOF BY THIS REFERENCE.

SEE ATTACHMENT "A" FOR SUBORDINATION OPTIONS IN THE EVENT GRANTORS WISH TO DEVELOP TAX ACCOUNT #3809-33AB-7600 TO A HIGHER AND BETTER USE BY REBUILDING THE GARAGES AND/OR CONSTRUCTING ADDITIONAL UNITS AT SOME TIME IN THE FUTURE.

**Grantors names continued from above as to an undivided 1/2 interest, and JULIE ANN ROWLETT, as to an undivided 1/2 interest, and JENNIFER L. ROWLETT, as to an undivided 1/2 interest, all partners in GREENSPRINGS INVESTMENT PROPERTIES, an Oregon partnership

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 ONE HUNDRED EIGHTY-FIVE THOUSAND AND NO 00/100

Dollars, with interest thereon according to the terms of a promissory 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 per terms of note

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.

- To protect the security of this trust deed, grantor agrees: 1. To protect, preserve and maintain said property in good condition and repair; 2. To complete or restore promptly and in good and workmanlike manner any building or improvement which has been constructed, damaged or destroyed thereon; 3. To comply with all laws, ordinances, regulations, covenants, conditions and restrictions affecting said property; 4. To provide and continuously maintain insurance on the buildings and other hazards; 5. To keep said premises free from construction liens; 6. To pay all costs, fees and expenses of this trust including the cost in connection with or in enforcing this obligation and trustee's and attorney's fees actually incurred; 7. To appear in and defend any action or proceeding; 8. In the event that any portion or all of said property shall be taken under the right of eminent domain or condemnation; 9. At any time and from time to time upon written request of beneficiary, payment of its fees and presentation of this deed and the note for endorsement; 10. Beneficiary may from time to time appoint a successor or successors to any trustee named herein; 11. Trustee accepts this trust when this deed, duly executed and acknowledged is made a public record as provided by law.

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 amount payable as compensation for such taking, which are in excess of the amount required to pay the trustee's costs, expenses and attorney's fees necessarily paid or incurred by grantor in such proceedings, shall be paid to beneficiary and both in the trial and appellate courts, necessarily paid or incurred by beneficiary in such proceedings; and the balance applied upon the indebtedness secured hereby; and grantor agrees, at its own expense, to take such actions, defend and execute such instruments as shall be necessary in obtaining such compensation, promptly upon beneficiary's request.

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

NOTE: The Trust Deed Act provides that the grantor 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 690.585.

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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 proceeds of the loan represented by the above described note and this trust deed are for an organization, or (even if grantor is a natural person) are for business or commercial purposes.

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 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 use Stevens-Ness Form No. 1319, or equivalent. If compliance with the Act is not required, disregard this notice.

GREENSPRINGS INVESTMENT PROPERTIES, an Oregon Partnership, by Donald E. Rowlett, Claudia E. Rowlett, Julie Ann Rowlett, Jennifer L. Rowlett, Mark L. Randall, Jeanne Randall

STATE OF OREGON, County of Klamath. This instrument was acknowledged before me on November 22, 1986, by Donald E. Rowlett, Claudia E. Rowlett, Julie Ann Rowlett, Jennifer L. Rowlett, Mark L. Randall, and Jeanne Randall.

Notary Public for Oregon. My commission expires 5/26/89. (SEAL)

REQUEST FOR FULL RECONVEYANCE

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 real estate now held by you under the same. Mail reconveyance and documents to [address].

DATED: [date] Beneficiary: Dorothy R. Born Trust. 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)

GREENSPRINGS INVESTMENT PROPERTIES, an Oregon Partnership, Grantor. Beneficiary: Dorothy R. Born Trust. State of Oregon, County of [blank]. I certify that the within instrument was received for record on the [blank] day of [blank], 19[blank], at [blank] o'clock [blank] M., and recorded in book/reel/volume No. [blank] on page [blank] or as fee/file/instrument/microfilm/reception No. [blank]. Record of Mortgages of said County. Witness my hand and seal of [blank] County, affixed. [Signature] NAME TITLE By [blank] Deputy

LEGAL DESCRIPTION:

Lots 1 thru 8 inclusive, Block 23A of the Re-Subdivision of Block 23, INDUSTRIAL ADDITION to the City of Klamath Falls, according to the official plat thereof on file in the office of the County Clerk of Klamath County, Oregon.

ALSO Lots 3 thru 6 inclusive, Block 23 of the Re-Subdivision of Block 23, INDUSTRIAL ADDITION in the City of Klamath Falls.

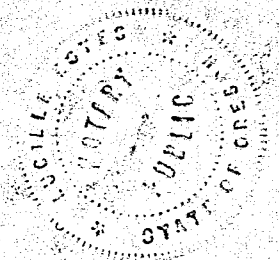
ALSO, Beginning at the intersection of the center line of a vacated alley lying between Lots 6 and 7 of Block 23, INDUSTRIAL ADDITION TO THE CITY OF KLAMATH FALLS, OREGON, and the North line of Jay Street as now located; thence East along the North line of Jay Street 2 feet; thence in a Northeasterly direction to the Northwest corner of Lot 6, said Block and Addition; thence South to the Southwest corner of said Lot 6; thence West along said North line of Jay Street to the Point of Beginning.

SUBORDINATION OPTIONS:

Since the Grantors named herein may wish to develop Tax Account #3809-33AB-7600 to a higher and better use by rebuilding the garages and/or constructing additional units at some time in the future, the Beneficiary named herein agrees to subordinate this Trust Deed and Note secured by this Trust Deed to new financing covering Tax Account #3809-33AB-7600 only under the terms and conditions at Grantor's option described as follows:

1. Grantor's may elect to pay down this Trust Deed and Note balance to the amount at which Grantors' down payment of \$25,000.00 plus the pay-down would equal the amount of new financing Grantors' wish to place on Tax Account #3809-33AB-7600 (ie., if grantors' were going to place \$100,000 in financing on Tax Account #3809-33AB-7600, then the Trust Deed and Note balance would have to be reduced from \$185,000 to \$110,000 -- \$25,000 down plus \$75,000 principal reduction = \$100,000), then Beneficiary will subordinate the Trust Deed and Note to new loan and reamortize the balance of this Trust Deed and Note over the then remaining portion of the 25 year life of the Trust Deed and Note with no change in the interest rate of this Trust Deed and Note.
2. Grantors' may elect to pay down this Trust Deed and Note to \$165,000.00 and reamortize the balance over the then remaining portion of the 25 year life of this Trust Deed and Note at the rate of 10% per annum.
3. Grantors' may elect to pay down this Trust Deed and Note to \$175,000.00 and reamortize the balance of this Trust Deed and Note over the then remaining portion of the 25 year life of this Trust Deed and Note at the rate of 10 1/2% per annum.
4. Grantors' may elect not to pay down this Trust Deed and Note balance, but reamortize this Trust Deed and Note balance at the rate of 11% per annum over the then remaining portion of the 25 year life of this Trust Deed and Note.

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State of Oregon
 Klamath County
 This instrument was
 acknowledged before me
 on November 28, 1986.

Lucille Ester
 Notary Public of Oregon
 My commission expires: 5/26/89

STATE OF OREGON: COUNTY OF KLAMATH: ss.

Filed for record at request of _____
 of _____ December _____ A.D. 19 86 at 1:25 o'clock P. M., and duly recorded in Vol. M86 day
 of _____ Mortgages _____ on Page 22071

FEE \$13.00

Evelyn Biehn, County Clerk
 By Ann Smith