

1988, between

TRUST DEED

as Grantor, ASPEN TITLE & ESCROW, INC.
DIANNE COLBY

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:

BANQUETTES in the County of

Lot 7 in Block 2 of PINE GROVE RANCHETTES, 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
KLAMATH FIRST FEDERAL SAVINGS AND LOAN ASSOCIATION, a corporation.

SEE EXHIBIT "A" ATTACHED HERETO AND BY THIS REFERENCE MADE A
PART HEREOF AS THOUGH FULLY SET FORTH HEREIN.

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.

THE PURPOSE OF SECURING PERFORMANCE of each agreement of grantor herein contained and payment of the sum of ONE HUNDRED and No/100- - - - - Dollars to the said Grantee.

FOR THE PURPOSE OF SECURING PERFORMANCE of each agreement of grantor herein contained and to be performed by grantor or hereafter appertaining, and the terms, conditions, covenants, and stipulations of this promissory note with said real estate.

sum of TWENTY THREE THOUSAND FIVE HUNDRED and No/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, it

(\$23,500.00) - - - - - at maturity of Note , 19

note of even date herewith, payable to beneficiary or order and made by grantor, the final payment of principal and interest hereof, it

at maturity of Note , 19

interest therein is sold, agreed to be

note of even date herewith, payable to bearer at maturity or note, _____, 19____.

not sooner paid, to be due and payable _____ 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.

_____ hereby agrees:

(a) not to grant any easement or creating any restriction thereon; (c) join in any deed affecting this deed or the lien or charge hereon; and

(d) execute any document necessary to carry out the foregoing.

then, at the beneficiary's expense, the property herein, shall become immediately due and payable.

To protect the security of this trust deed, grantor agrees:

1. To protect, preserve and maintain said property in good condition and repair; not to remove or demolish any building or improvement thereon; and to commit or permit any waste of said property.

2. To keep said property, and in good and workmanlike

1. To protect, preserve and maintain said property and repair; not to remove or demolish any building or improvement thereon; not to commit or permit any waste of said property.

To comply with all laws, ordinances, regulations, covenants, conditions and restrictions affecting said properties pursuant to the Uniform Commercial Code as the beneficiary may desire and to pay for listing same in the joint Code as the beneficiary may require and to pay for filing same in the proper public office or offices, as well as the cost of all lien searches made by filing officers or searching agencies as may be deemed desirable by the beneficiary.

(c) To continuously maintain insurance on the buildings

[illegible][illegible]

6. To pay all costs, fees and expenses of this trust including the cost of title search as well as the other costs and expenses of the trustee incurred in connection with or in enforcing this obligation and trustee's and attorney's fees incurred in any action or proceeding purporting to enforce the same.

7. To appear in and defend any action or proceeding purporting to affect the security rights or powers of beneficiary or trustee; and in any action or proceeding in which the beneficiary or trustee may appear, including this deed, to pay all costs and expenses, and the attorney's fees;

[illegible]

It is mutually agreed that:

[illegible]

9. At any time and from time to time upon written request of the beneficiary, payment of its fees and presentation of this deed and the nonconformances, for cancellation), without any further action, the trustee shall execute such instruments as shall be necessary in obtaining such compensation, promptly upon beneficiary's request.

(a) consent to the making of any map or plat of said property; (b)

[illegible][illegible]

less costs and expenses of the indebtedness secured hereby, and in such event the grantor agrees to indemnify the beneficiary's fees upon the determination of the beneficiary.

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 constitute a waiver of any default or notice of default hereunder or invalidate any act done pursuant to such notice.

12. In the event of default by grantor in payment of any indebtedness secured hereby, the beneficiary shall have the right to enter upon and take possession of the property at any time being of legal age.

[illegible][illegible][illegible][illegible][illegible]

17. Trustee accepts this trust when this deed, duly executed and acknowledged in accordance with the laws of the State of California, is recorded in the public records of the County of Los Angeles, California, in which the property is situated, shall be conclusive proof of proper appointment of the successor 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 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 696.505 to 696.555.

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 or household purposes (see Important Notice below),
(b) 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 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 use Stevens-Ness Form No. 1319, 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 acknowledgement opposite.)

STATE OF OREGON,

County of Klamath } ss.

This instrument was acknowledged before me on
NOVEMBER 14, 1988, by
Nancy Joan Goeckner

[Signature]
Notary Public for Oregon
My commission expires: 1-15-90

STATE OF OREGON,

County of } ss.

This instrument was acknowledged before me on
19____, by

as

of

Notary Public for Oregon

My commission expires:

(SEAL)

REQUEST FOR FULL RECONVEYANCE

To be used only when obligations have been paid.

TO:

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: 11/14/88

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

(FORM No. 881)

STEVENS-NESS LAW-PUB. CO., PORTLAND, ORE.

Grantor

Beneficiary

AFTER RECORDING RETURN TO:

Aspen Title & Escrow, Inc.
Attn: Collection Dept.

338805

SPACE RESERVED

FOR

RECORDER'S USE

STATE OF OREGON,

County of } ss.

I certify that the within instrument was received for record on the _____ day of _____, 19____, at _____ o'clock _____ M., and recorded in book/reel/volume No. _____ on page _____ or as fee/file/instrument/microfilm/reception No. _____.
Record of Mortgages of said County.

Witness my hand and seal of County affixed.

NAME

TITLE

By

Deputy

EXHIBIT "A" TO DEED OF TRUST

THIS DEED OF TRUST IS AN ALL-INCLUSIVE TRUST DEED AND IS SECOND AND SUBORDINATE TO THE TRUST DEED NOW OF RECORD DATED JULY 11, 1979, and RECORDED JULY 12, 1979, IN BOOK M79 AT PAGE 16411, IN MORTGAGE RECORDS OF KLAMATH COUNTY, OREGON, IN FAVOR OF KLAMATH FIRST FEDERAL SAVINGS AND LOAN ASSOCIATION, A CORPORATION, AS BENEFICIARY, AND DIANNE SMYLLIE, NOW KNOWN AS DIANNE COLBY, AS GRANTOR, WHICH SECURES THE PAYMENT OF A NOTE THEREIN MENTIONED. DIANNE COLBY, BENEFICIARY HEREIN, AGREES TO PAY, WHEN DUE, ALL PAYMENTS DUE UPON THE SAID PROMISSORY NOTE IN FAVOR OF KLAMATH FIRST FEDERAL SAVINGS AND LOAN ASSOCIATION, AND WILL SAVE TRUSTOR HEREIN, NANCY JOAN GOECKNER, HARMLESS THEREFROM. SHOULD THE SAID BENEFICIARY HEREIN DEFAULT IN MAKING ANY PAYMENTS DUE UPON SAID PRIOR NOTE AND TRUST DEED, TRUSTOR HEREIN MAY MAKE SAID DELINQUENT PAYMENTS AND ANY SUMS SO PAID BY TRUSTOR 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 record at request of Aspen Title Co.
 of Nov. A.D., 19 88 at 11:11 o'clock A.M., and duly recorded in Vol. M88 day
 of Mortgages on Page 19258
 Evelyn Biehn
 By Pauline M. Nielsen County Clerk

FEE \$18.00