THIS TRUST DEED, made this 25th day of FEbruary , 19 91 , between NIEL B. LIEUALLEN as Grantor, MOUNTAIN TITLE COMPANY OF KLAMATH COUNTY ROBERT M. JOHNSON and BURKETT M. JOHNSON, with rights of survivorship as Beneficiary.

WITNESSETH: Grantor irrevocably grants, bargains, sells and conveys to trustee in trust, with power of sale, the property

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

THIS TRUST DEED IS AN ALL INCLUSIVE TRUST DEED AND IS BEING RECORDED THIRD AND JUNIOR TO A FIRST TRUST DEED IN FAVOR OF BENJAMIN FRANKLIN SAVINGS & LOAN ASSOCIATION AS BENEFICIARY AND TO A SECOND REAL ESTATE CONTRACT IN FAVOR OF ALBERT BONDEROW AND LOUSIE BONDEROW, HUSBAND AND WIEF, AS VENDORS.

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 appraisanting, and the rents, issues and profits thereof and all fixtures now or hereafter attached to or used in connection with real-decoration of the rents.

tion with said real estate.

FOR THE PURPOSE OF SECURING PERFORMANCE of each agreement of grantor herein contained and payment of the sum of FORTY-THREE THOUSAND FIVE HUNDRED AND NO/100 ----

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

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; not to commit or permit any waste of said property.

To complete or restore promptly and in good and workmanlike manner any building or improvement which may be constructed, damaged or destroyed thereon, and pay when due alt costs incurred therefor.

To comply with all laws, ordinances, regulations, coverants, conditions and restrictions altecting said property; if the beneficiary as required in executing such linancing statements pursuant to the things me in the proper public office or offices, as well as the cost of all lien searches made by liling officers or searching agencies as may be deemed desirable by the beneficiary.

4. To provide and continuously maintain insurance on the building to the beneficiary.

cial 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.

4. To provide and continuously maintain insurance on the buildings of the said premises against loss or damage by lire now or herealter erected on the said premises against loss or damage by lire and such other hazards as the said premises against loss or damage by lire and such other hazards as the said premises against loss or damage by lire and such other hazards as the said premises against loss or damage by lire and such other hazards as the said premises against loss or damage by lire and such other hazards as the said profices of insurance shall be delivered to the beneficiary as soon as insured; policies of insurance shall be delivered to the beneficiary as soon as insured; if the grantor shall tail for any reason to procure any such insurance and to it the grantor shall tail for any reason to procure any such insurance and to deliver asid policies of the beneficiary at least litteen days prior to the expiration of any policy of insurance now or hereafter placed on said buildings, the beneficiary approach the same at grantor's expense. The amount of the procure of the said property and insurance policy may be applied by beneficiary upon my indebtedness secured hereby and in such order as beneficiary any determine, or at option of beneficiary the entire amount so collected, or may determine, or at option of beneficiary the entire amount so collected, or may determine, or at option of beneficiary the entire amount so collected, or any part beneficiary and the recollected property before any part of such taxes, assessments and other charges that may be levied or assessed upon or against said property before any part of such taxes, assessments and other charges that may be levied or assessed upon or against said property before any part of such taxes, assessments and o

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, beneticiary shall have the right, il it so elects, to require that all or any portion of the monies payable as compensation for such taking, which are in excess of the amount required to pay all reasonable costs, expenses and attorney's fees necessarily paid or incurred by grantor in such proceedings, shall be paid to beneticiary and applied by it first upon any reasonable costs and expenses and attorney's lees, poor in the trial and appellate courts, necessarily paid or incurred by beneticiary in such proceedings, and the balance applied upon the indebtedness secured hereby; and grantor agrees, at its own expense, to take such actions and execute such instruments as shall be necessary in obtaining such compensation, promptly upon beneticiary'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 (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 allecting this deed or the lien or charge thereol; (d) reconvey, without warranty, all or any part of the property. The france in any reconveyance may be described as the "person or persons france in any reconveyance may be described as the "person or persons legally entitled thereto," and the recitation therein of any matters or lacts shall be conclusive proof of the truthfulness thereol. Trustee's lees for any of the services mentioned in this paragraph shall be not less than \$5.

10. Upon any delault by grantor hereunder, beneficiary may at the services mentioned in this paragraph shall be not less than \$5.

10. Upon any delault by grantor hereunder, beneficiary may at the indebtedness hereby secured, enter upon and adequacy of any security for the indebtedness hereby secured, enter upon and at a property or any part thereol, in its own name sue or otherwise collect the rents, issues and profits, including those past due and unpaid, and apply the same, issues and expenses of operation and collection, including reasonable attorney's lees upon any indebtedness secured hereby, and in such order as beneficiary 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 awars for any taking or damage of the property, and the application or release thereol 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 restrictions.

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, time being of the essence with respect to such payment and/or performance, the beneficiary may declare all sums secured hereby immediately due and payable. In such an declare all sums secured hereby immediately due and payable. In such an declare all sums secured hereby immediately due and payable. In such an declare all sums secured hereby immediately due and payable. In such an declare all sums secured hereby immediately due and payable. In such an declare all sums secured here the trustee to foreclose this trust deed by advertisement and sale, or may direct the trustee to pursue any other right or the beneficiary elects to foreclose by advertisement and sale, the beneficiary or the beneficiary elects to foreclose by advertisement and asle, the hereitiary or the trustee shall execute and cause to be recorded his written notice of default and his election to sell the said described real property to satisfy the obligation and his election to sell the said described real property to satisfy the obligation and his election to sell the said described real property to satisfy the obligation and the trustee while trustee shall lix the time and place of sale, give notice thereof as then recurrence that the sac somemend foreclosure by advertisement and 13. After the trustee of the secured by consists of a lailure to pay, "hen due, sums secured by the trust elect, the default may be cured by paying the entire amount due at the time of the cure other than such portion as would 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 not then be due had no default occurred. Any other default that is capable of not then be due had no default occurred. Any other default that is capable of not then be due ha

together with trustee's and attorney's lees not exceeding the amounts provided by law.

14. Otherwise, the sale shall be held on the date and at the time and place designated in the notice of sale or the time to which said sale may be postponed as provided by law. The trustee may sell said property either in one parcel or in separate parcels and shall sell the parcel of said Trustee auction to the highest bidder for cash, payable at the time of said Trustee shall deliver to the purchaser its deed in form as required by law conveying the property so sold, but without any covenant or warranty, express or implied. The recitals in the deed of any matters of lact shall be conclusive proof the truthulness thereof. Any person, excluding the trustee, but including the grantor and beneliciary, 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 grustee's attorney, (2) to the obligation secured by the trust deed, (3) to all persons having recorded liens subsequent to the interest of their prices and (4) the surplus, if any, to the grantor or to his successor in interest entitled to such surplus, if any, to the grantor or to his successor in interest entitled to such surplus.

surplus, if any, to the grantor or to his successor in interest entitled to such surplus.

16. Beneliciary may from time to time appoint a successor or successors to any trustee named herein or to any successor trustee appointed hereinder. Upon such appointment, and without conveyance to the successor trustee, the latter shall be with the successor trustee appointment and substitution shall be made by written instrument executed by beneliciary, 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 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 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 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 substituties, 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 except Trust Deed recorded January 5, 1976, in Volume M76, page 131, Microfilm Records of Klamath County, Oregon, in favor of Benjamin Franklin Savings & Loan Association, As Beneficiary; and Real Estate Contract recorded May 13, 1983, in Volume M83, page 7525 **see continued below and that he will warrant and forever defend the same against all persons whomsoever. **continued - Microfilm Records of Klamath County, Oregon, in favor of Albert Bonderow

The grantor warrants that the proceeds of the loan represented by the above described note and this trust deed are: (2013) In 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 leminine and the neuter, and the singular number includes the plural. IN WITNESS WHEREOF, said grantor has hereunto set his hand the day and year lift 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. STATE OF OREGON, County of Klamath This instrument was acknowledged before me on February NIEL B. LIEUALLEN This instrument was acknowledged before me on as Notary Public for Oregon My commission expires// REQUEST FOR FULL RECONVEYANCE To be used only when obligations have been paid 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 trust deed nave peen tuny paid and satisfied, to differences of indebtedness secured by said trust deed (which are delivered to you are said trust deed (which are delivered to you said trust deed or pursuant to statute, to cancel an evidences of indeptedness 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 SAM MENTALT TO ACCESSED HARRING AND DE PORT MUNICIPALISME CONSIDER FORDSWORD HERSENS THE RESERVED ASSESSED FOR Do not lose or destroy this Trust Deed OR THE NOTE which it secures. Both must be delivered to the trustee for concellation before reconveyance will be made. TRUST DEED STATE OF OREGON, STON OR EARTERN NO MAJOR TH County of NIEL B. LIEUALLEN I cectify that the within instrument was received for record on theday at o'clock M., and recorded Grantor ROBERT M. JOHNSON & BURKETT M. SPACE RESERVED in book/reel/volume No. on FOR JOHNSON P.O. Box 194 page _____or as fee/file/instru-RECORDER'S USE Midland, OR 97634 ment/microfilm/reception No....., Record of Mortgages of said County. na dia kampada donora Beneticiary AFTER RECORDING RETURN TO Witness my hand and seal of MOUNTAIN TITLE COMPANY OF County affixed. इंग्रेन्स वर्षा ल KLAMATH COUNTY NAME TITLE Asnes pend

EXHIBIT "A" LEGAL DESCRIPTION

The following described real property in Klamath County, Oregon:

A parcel of land lying within the bounds of that tract of land recorded in M67 at page 3540 of Deed Records of Klamath County, Oregon, described therein as being located in the SE1/4 of the SE1/4 of Section 28, Township 39 South, Range 8 East of the Willamette Meridian, said parcel of land being more particularly described as follows:

Beginning at the most Southwesterly corner of above said tract of real property, which corner is described as being on the South boundary of aforesaid Section 28, distant 2074.11 feet East of the South 1/4 corner thereof; thence North 25 degrees 22' West 761.00 feet along the West boundary of aforesaid tract of real property to the most Northwesterly corner thereof, being located on the Southerly right of way boundary of the Klamath Falls - Ashland Highway (Ore 66) thence North 67 degrees 02 1/2' East along said tract of real property a distance of 418 feet being the true point of beginning of this description; thence South 25 degrees 22' East along the East boundary of said tract of real property a distance of 350.00 feet; thence South 67 degrees 02 1/2' West parallel with the aforesaid Southerly right of way of the Klamath Falls - Ashland Highway a distance of 252.00 feet; thence North 25 degrees 22' West 350.00 feet to a point on the aforesaid highway boundary a distance of 252.00 feet from the true point of beginning; thence North 67 degrees 02 1/2' East 252.00 feet along the said boundary to the true point of beginning.

This Trust Deed is an All Inclusive Trust Deed and is junior and subordinate to the Real Estate Contract now of record dated April 19, 1983, and recorded on May 13, 1983, in Volume M83, page 7525, Microfilm Records of Klamath County, Oregon, in favor of Albert Bonderow and Louise Bonderow, as Vendors which secures the payment therein mentioned.

Robert M. Johnson and Burkett M. Johnson, with rights of survivorship, Beneficiary herein agrees to pay, when due, all payments due upon the said Real Estate Contract in favor of Albert Bonderow and Louise Bonderow, and will save Grantor herein, Niel B. Lieuallen, 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.

Grantor herein shall be responsible for fire insurance premiums and real property taxes annually and notify the Beneficiary herein upon payment.

XMP4.

STATE OF OREGON: C	OUNTY OF KLAMATH: ss.
Filed for record at reque	est of Mountain Title Co.
of <u>Feb.</u>	A.D., 19 91 at 2:19 o'clock PM., and duly recorded in Vol. M91
FEE \$18.00	Evelyn Biehn County Clark
	By Quelene Muelender