THIS TRUST DEED IS AN ALL-INCLUSIVE TRUST DEED AND IS BEING RECORDED SECOND AND JUNIOR TO A FIRST TRUST DEED IN FAVOR OF LOUIS V. SCHWEIGER, AS BENEFICIARY.

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 appertaining, and the rents, issues and profits thereof and all fixtures now or hereafter attached to or used in connection with said real estate.

tion with said real estate.

FOR THE PURPOSE OF SECURING PERFORMANCE of each agreement of grantor herein contained and payment of the

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 becomes due and payable. In the event the within described property, or any part thereof, or any interest therein is sold, agreed to be becomes due and payable. In the event the within described property, or any part thereof, or approval of the beneficiary, sold, conveyed, assigned or alienated by the grantor without first having obtained the written consent or approval of the beneficiary, sold, conveyed, assigned or alienated by the grantor without first having obtained the written consent or approval of the beneficiary, sold, conveyed, assigned or alienated by the grantor without first having obtained the written consent or approval of the beneficiary, sold, conveyed, assigned or alienated by the grantor without first having obtained the written consent or approval of the beneficiary, sold, conveyed, assigned or alienated by the grantor without first having obtained the written consent or approval of the beneficiary.

To protect the security of this trust deed, grantor advance.

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

To complete or restore promptly and in good and workmanlike 2. To complete or restore promptly and be constructed, damaged or manner any building or improvement which may be constructed, damaged or destroyed thereon, and pay when due all costs incurred therefor.

3. To comply with all laws, ordinances, regulations, covenants, conditions and restrictions attecting said property: if the beneficiary so requests, to tions and restrictions attecting satements pursuant to the Uniform Commercial Code as the beneficiary may require and to pay for filing same in the cial Code as the one-ficiary may require and to pay for filing same in the by filing officers or searching agencies as may be deemed desirable by the beneficiary.

join in executing such linancing statements pursuant to the Uniform Commercial Code as the beneficiary may require and to pay for liting same in the proper public office or offices, as well as the cost of all lien searches made by liting officers or searching agencies as may be deemed desirable by the by liting officers or searching agencies as may be deemed desirable by the by liting officers or searching agencies as may be deemed desirable by the by liting officers or searching agencies as may be deemed desirable by the by liting officers or searching agencies as may be deemed desirable by the beneficiary may be deemed desirable by the state of the search as a search as the search as a search as well as the search as a searc

It is mutually agreed that:

3. 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 under the right of eminent domain or condemnation, the monies payable right, if it so elects to require that all or any portion of the monies payable as compensation or such taking, which are in excess of the amount required to pay all reasonator costs, expenses and attorney' less necessarily paid or to pay all reasonator in such proceedings, shall be paid to beneticiary and incurred by the payable of the trial and appellate courts, necessarily paid or incurred by beneticiary in the trial and appellate courts, necessarily and or incurred by beneticiary in expenses, and grantor agrees, at its owners, to take such actions secured hereby, and grantor agrees, at its owners, to take such actions and except such instruments as shall be mecassary in obtaining such compensation promptly upon beneficiary's request upon written request of beneficiary, payment of its fees and presentation of this deed and the role for iting a payable to the payment of the indebtedness, trustee may the liability of any person for the payment of the indebtedness, trustee may the liability of any person for the payment of the indebtedness, trustee may the liability of any person for the payment of the indebtedness, trustee may the liability of any person for the payment of the indebtedness, trustee may the liability of any person for the payment of the indebtedness, trustee may the liability of any person for the payment of the indebtedness, trustee may the liability of any person for the payment of the indebtedness, trustee may the liability of any person for the payment of the indebtedness, trustee may the liability of any person for the payment of the indebtedness the liability of any person for the payment of the indebtedness the liability of any person lor the payment of the indebtedness the liability of any person lor the payment of the indebtedness the liabil

granting any easement or creating any restriction thereon: (c) join in any subordination or other agreement affecting this deed or the lien or charge thereof; (d) reconvey, without warranty, all or any part of the property. The grantee in any reconveyance may be described as the "person or persons (gather in any reconveyance may be described as the "person or persons legally entitled thereto," and the recitals therein of any matters or facts shall be conclusive proof of the truthfulness thereof. Trustee's fees for any of the services mentioned in this paragiraph shall be not less than \$5. services mentioned in this paragiraph shall be not less than \$5. services mentioned in this paragiraph shall be not less than \$5. services and expensed and without regard to the adequacy of any security for pointed by a court, and without regard to the adequacy of any security for the indebtedness hereby secured, ergs upon and take possession of said property in the restriction of any part thereof, in its open and take possession of said property is less 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 line and other insurance policies or compensation or awards for any taking or damage of the property, and the application or elease thereof as aloresaid, shall not cur 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 are in his evolution of the property in his evolution.

property, and the application or release thereof as alforestict, shall not cute of 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 sessence with respect to such payment and/or performance, the beneliciary may added and the selection may proceed to forcelose. In such and declare all sums secured hereby immediately due and payable. In such and declare all sums secured hereby immediately due and payable. In such ded event the beneliciary at his election may proceed to forcelose this trust deed by in equity as a mortgage or direct the trustee to forcelose this trust deed principle of the secured of the secured and vertisement and sale, or may direct the trustee to pursue any other right or remedy, either at law or in equity, which the beneliciary may have. In the event the beneliciary elects to forcelose by advertisement and sale, the heneliciary or the beneliciary elects to forcelose by advertisement and sale, the heneliciary or 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 notice thereof as then required by law and proceed to forcelose this trust deed notice thereof as then required by law and proceed to forcelose this trust deed in the manner provided in ORS 86.735 to 86.795.

13. After the trustee has commenced forcelosure by advertisement and sale, and at any time prior to 5 days before the date the trustee conducts the sale, and at any time prior to 5 days before the date the trustee conducts the feature to make the feature to make the feature of the cure of the trust deed to forcelosure by advertisement and the feature of the cure of the feature of the salure to pay, when due, the default of the default of the proving a lature to pay, when due, the default of the proving and the proving and the p

together with trustee's and attorney's fees 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 or parcels at in one parcel or in separate parcels and shall sell the parcel or parcels at suction to the highest bidder for cash, payable at the time of sale. Trustee suction to the purchaser its deed in form as required by law conveying 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 of the truthiulness thereof. Any person, excluding the trustee, but including of the trustee sells pursuant to the powers provided herein, trustee sells pursuant to the powers provided herein, trustee shall apply the proceeds of sale to payment of (1) the expenses of sale in storney (2) to the obligation secured by the trust deed, (3) to all person attorney, (2) to the obligation secured by the trust deed, is to all person having recorded lens subsequent to the interest of the trustee in the trust deed as their interests may appear in the order of their privative and (4) the surplus.

16. Beneliciary may from time to time appoint a successor or successor to any trustee named because the time appoint a successor or successor to any trustee named.

surplus.

16. Beneliciary may from time to time appoint a successor or successor to any trustee named herein or to any successor trustee appointed herein trustee, the latter shall be vested with all title, powers and duries content upon any trustee herein named or appointed hereunder. Each such appointment upon any trustee herein named or appointed hereunder. Each such appointment which, when recorded in the mortgage records of the county or counties in which, when recorded in the mortgage records of the county or counties in which the property is situated, shall be conclusive proof of proper appointment of the successor trustee.

17. 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 brigated 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 subsidiaries, affiliates, ogents or branches, the United States or any agency thereof, or an escrow agent licensed under ORS 696.505 to 696.585.

KITLE

.. Deputy

NAME

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 it 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 terminine 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. ANESTI N. AUDEH STATE OF OREGON, County of Klama H This instrument was acknowledged before me on ANESTI N. AUDEH This instrument was acknowledged before me on ... / 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 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 Beneticiary e or destroy this Trust Deed OR THE NOTE which it secures. Both must be delivered in the trustee for concell STATE OF OREGON, TRUST DEED County of (FORM No. 881) I certify that the within instrument STEVENS-NESS LAW PUB. CO., PORTLAND, ORE was received for record on theday of, 19....., ANESTI N. AUDEH at c'clockM., and recorded 1856 O'LEARY LANE in book/reel/volume No. on CONCORD, CA 94521 SPACE RESERVED pageor as fee/file/instru-Grantor FOR O'SHEA GLEN L. TERRIERE and JAMES P. ment/microfilm/reception No....., RECORDER'S USE Record of Mortgages of said County. 451 DONALD Witness my hand and seal of KLAMATH FALLS, OR County affixed.

Beneticiary

MOUNTAIN TITLE COMPANY

OF KLAMATH COUNTY

MTC NO: 26795-KR

EXHIBIT "A" LEGAL DESCRIPTION

PARCEL 1:

Lot 9 and the Southeasterly 1/2 of Lot 8, HIGHLAND PARK, Klamath County, Oregon, more particularly described as follows:

Beginning at the Northeasterly corner of Lot 8; thence Southwesterly along the Easterly line of said Lot, 200 feet to the Southeasterly corner thereof; thence Northwesterly along the Southwesterly line of said Lot a distance of 36 feet to a point; thence Northeasterly and parallel with Easterly line of said Lot a distance of 200 feet to a point on the Northeasterly line of said Lot; thence Southeasterly along the Northeasterly line of said Lot a distance of 36 feet to the point of beginning.

EXCEPTING THEREFROM that portion conveyed to the State of Oregon, by and through its State Highway Commission in Volume M72, page 1639, Microfilm Records of Klamath County, Oregon.

PARCEL 2:

The Northwesterly one-half of Lot 10 of HIGHLAND PARK, according to the official plat thereof on file in the office of the County Clerk of Klamath County, Oregon. EXCEPTING THEREFROM that portion conveyed to the State of Oregon, by and through its State Highway Commission in Volume M72 at page 1639, Microfilm Records of Klamath County, Oregon.

EXHIBIT "A"

This Trust Deed is an All Inclusive Trust Deed and is second and subordinate to the Trust Deed now of record which was recorded on 02/21/91, in Volume M91, Page 3208, Microfilm Records of Klamath County, Oregon, in favor of LOUIS V. SCHWEIGER, as Beneficiary, which secures the payment of a Note therein mentioned.

The Beneficiary, named herein, agrees to pay, when due, all payments due upon the said Promissory Note recorded in favor of LOUIS V. SCHWEIGER, and will save the Grantors herein 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 the Grantor herein shall then be credited upon the sums next to become due upon the Note secured by this Trust Deed.

SIMIL OF OREGON, COUNTY OF REAMAIN.	REGON: COUNTY OF KLAMATH:	SS.
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Filed for re	ecord at request	of			ountain					the	28th	day
of	Jan.	A.D.,	19 _ 9	2 at	3:42	o'clock .	P	_M.,	and duly	recorded in Vo	ol. <u>M92</u>	
		of			<u>Mortgage</u>	s	on F	age _	1822	······································		
						Eve	lyn	Biel	hn •	County Clerk		
FEE	\$18.00					B	уΩ	se.	elene (Musten	dere	