

TRUST DEED

Vol. m92 Page 12177

as Grantor, MOUNTAIN TITLE COMPANY OF KLAMATH COUNTY, as Trustee, and
TRUSTEES OF THE ROLLINS LOVING TRUST DATED JULY 18, 1990 AND ANY AMENDMENTS THERETO

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:

Lots 5 and 6, Block 60, HOT SPRINGS SECOND ADDITION and the Southwesterly 10 feet of vacated alley adjacent, in the City of Klamath Falls, according to the official plat thereof on file in the office of the County Clerk of Klamath County, 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 FALLS FIRST FEDERAL SAVINGS, 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.

FOR THE PURPOSE OF SECURING PERFORMANCE of each agreement of grantor herein contained and payment of the sum of ***NINETY FIVE THOUSAND AND NO / 100ths**** Dollars, the interest thereon according to the terms of a promissory

sum of **NINETY FIVE THOUSAND AND NO. / 100 LHS 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, 19....., on which the final installment of said note

not sooner paid, to be due and payable PER TERMS OF NOTE, 19.....

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.

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

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.

2. 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 all costs incurred therefor.

to comply with all laws, ordinances, regulations, covenants, conditions and restrictions affecting said property; if the beneficiary so requests, to join in executing such financing statements pursuant to the Uniform Commercial Code as the beneficiary may require and to pay for filing of such statements; to pay for 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; to maintain and cause to be maintained insurance on the buildings

4. To provide and continuously maintain insurance on the buildings now or hereafter erected on the said premises against loss or damage by fire and such other hazards as the beneficiary may from time to time require, in an amount at least equal to full insurable value, written in the policies of insurance acceptable to the beneficiary, with loss payable to the latter; and the policies of insurance shall be delivered to the beneficiary; and it is covenanted that if the grantor shall fail for any reason to procure such insurance and to the expirer deliver said policies to the beneficiary at least fifteen days prior to the expiration of the policy of insurance now or hereafter placed on said buildings, then the beneficiary may procure the same at grantor's expense, and the amount so collected under any fire or other insurance policy may be applied by beneficiary upon any indebtedness secured by such policy or such other as beneficiary may determine, or that portion of the beneficiary the entire amount so collected, or any part thereof may be released to grantor. Such application or release shall not constitute a release of the grantor from any liability he may have incurred or may incur or waive any default or notice of default hereunder or invalidate any right due pursuant to such notice.

5. To keep said premises free from construction liens and to pay all 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 become past due or delinquent and promptly deliver receipts therefor to beneficiary; should the grantor fail to make payment of any taxes, assessments, insurance premiums, liens or other charges payable by grantor, either by direct payment, beneficiary may, at its option, make payment thereof, to make such payment, beneficiary may, at its option, make payment thereof, and the amount so paid, with interest at the rate set forth in the note secured hereunder together with the obligations described in paragraphs 6 and 7 of this trust deed, shall be added to and become a part of the debt secured by this trust deed, without waiver of any rights arising from the nonpayment of any of the trust deed, without waiver of any rights arising from the nonpayment of any of the covenants hereof and for such payments, with interest thereon, the grantor, shall be bound to the extent hereinbefore described, as well as for the payment of the obligation herein described, and all such payments shall be immediately due and payable without notice, and the nonpayment thereof shall, at the option of the beneficiary, render the sums secured by this trust deed immediately due and payable and constitute a breach of this trust deed.

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 actually incurred.

[illegible]

It is mutually agreed that:

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 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 beneficiary and incurred by grantor in such proceedings, shall be paid to beneficiary and applied by it first upon any such proceedings, 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 all action and execute such instruments as may be necessary in obtaining such compensation.

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 affecting this deed or the lien or charge thereon; (d) reconvey, without warranty, all or any part of the property. The grantee 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 paragraph shall be not less than \$5.

10. Upon any default by grantor hereunder, Beneficiary may at any time without notice, either in person, by agent or by a receiver to be appointed by the court, take any action regarding the adequacy of any security for the indebtedness hereby secured, enter upon and take possession of said property or any part thereof, in its own name sue or otherwise collect the principal and interest on the indebtedness hereby secured, together with the same, issues and profits, including those past due and in arrears, together with the same, less costs and expenses of operation and collection, including reasonable attorney's fees and costs of litigation, 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 awards for any taking or damage of the property, and the application or release thereof 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 performance of any agreement hereunder, time being of the essence with respect to such payment and performance, the beneficiary may declare all of the trust's indebtedness immediately due and payable. In such an event, the beneficiary at his election may proceed to foreclose this trust deed in equity as a mortgage or direct the trustee to foreclose this trust deed by advertisement and sale, or may direct the trustee to pursue any other right or remedy, either at law or in equity, which the beneficiary may have. In the event the beneficiary elects to foreclose by advertisement and sale, the beneficiary or the beneficiary's attorney-in-fact shall cause to be recorded his written order to the trustee shall execute and caused to be recorded his written order to the trustee and his election to sell the said described real property to satisfy the obligation secured hereby whereupon the trustee shall, at the time and place of sale, give notice of such sale as required by law and proceed to foreclose this trust deed in equity as a mortgage provided in ORS 86.735 to 86.795.

13. After the trustee has commenced foreclosure by advertisement and sale, and at any time prior to 5 days before the date the trustee conducts the sale, the grantor or any other person so entitled by ORS 86.753, may cure the default or defaults. If the default consists of a failure to pay, when due, the default or defaults made by the trust deed, the default may be cured by paying the sums secured by the trust deed at the time of the cure other than such portion as is due and unpaid at the time of the cure. If the trust deed is capable of not then be due had no default occurred. Any other default which is required under the being cured may be cured by tendering the sum in addition to curing the default or obligation or trust deed, and a notice of the condition to curing the default or obligation, the amounts actually incurred in enforcing the obligation of the trust deed, and the amount of interest paid by the beneficiary, shall be provided to the lender 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 parcels in the order of the highest bidder for cash, in the form as required by law conveying said deliver to the purchaser and in the form as required by law conveying the same to the purchaser, but without any covenant or warranty, express or implied. The recitals in the deed of any matters of fact shall be conclusive proof of the truthfulness thereof. Any person, excluding the trustee, but including the trustee's agent, who is present at the sale shall be deemed to have accepted the terms of the sale.

15. When trust assets 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 to the trustee's attorney, (2) to the obligation secured by the trust deed, and (3) to all persons having recorded liens subsequent to the date of the trust deed. The trustee in the trust deed as their interest may appear in the order of their priority and (4) the surplus, if any, to the grantor or to his successor in interest entitled to such surplus.

16. Beneficiary may from time to time appoint a successor or successors to any trustee named herein or to any successor trustee appointed hereunder. Upon such appointment, and without conveyance to the successor trustee, the latter shall be vested with all title, powers and duties of the trustee, the latter shall be vested with all title, powers and duties of the trustee, the latter shall be vested with all title, powers and duties of the trustee upon any trustee herein named or appointed hereunder, and such appointment and substitution shall be made without the necessity of any instrument executed by beneficiary, 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 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, 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

SEE ATTACHED

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.

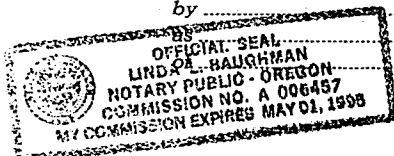
James L. Rollins
JAMES L. ROLLINS

DEBBIE J. ROLLINS
Debbie J. Rollins

STATE OF OREGON, County of *Klamath* ss.

This instrument was acknowledged before me on *6 - 2*, 19*92*,
by JAMES L. ROLLINS and DEBBIE J. ROLLINS

This instrument was acknowledged before me on _____, 19____,
by _____



Linda L. Baughman
Notary Public for Oregon
My commission expires *5-1-95*

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: _____, 19____.

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.

JAMES L. ROLLINS and DEBBIE J. ROLLINS
209 HOWARD ST.
ALTURAS, CA 96101

FRANK D. ROLLINS, TRUSTEE, DIANE ROLLINS and TRUSTEE
P.O. BOX 918
KENO, OR 97627

Beneficiary

SPACE RESERVED

RECORDER'S USE

STATE OF OREGON, } ss.
County of _____

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

Klamath First Federal
Main Office

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 05/09/86, in Volume M86, Page 8076, Microfilm Records of Klamath County, Oregon, in favor of KLAMATH FALLS FIRST FEDERAL SAVINGS, 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 KLAMATH FALLS FIRST FEDERAL SAVINGS, 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.

THE ABOVE GRANTOR DOES NOT AGREE TO ASSUME OR PAY IN FULL THIS OBLIGATION.

STATE OF OREGON: COUNTY OF KLAMATH: ss.

Filed for record at request of Mountain Title Co. the 5th day
of June A.D., 19 92 at 10:23 o'clock A M., and duly recorded in Vol. M92,
of Mortgages on Page 12177.

Evelyn Biehn - County Clerk

By Pauline Mulendare

FEE \$20.00