

THIS TRUST DEED, made on day 25 of March 1994, between ROY A. ADAMS and DOLORES J. ADAMS, husband and wife, as tenants by the entirety, as Grantor,

KEY TITLE COMPANY, an Oregon Corporation, as Trustee, and H. LOWELL WILSON and CORA BETH WILSON, of the survivor thereof, as Beneficiary,

WITNESSETH: Grantor irrevocably grants, bargains, sells and conveys to trustee in trust, with power of sale, the property in ~~OSBORNE~~ ALAMATH County, Oregon, described as:

LOT 4 IN BLOCK 12 OF FIRST ADDITION TO RIVER BINE ESTATES, ACCORDING TO THE OFFICIAL PLAT THEREOF ON FILE IN THE OFFICE OF THE COUNTY CLERK OF ALAMATH COUNTY, OREGON.

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 the property.

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

NINE THOUSAND Dollars, with interest thereon according to the terms of a promissory note of even date herewith, payable to beneficiary or order and made payable by grantor, the final payment of principal and interest hereof, if not sooner paid, to be due and payable April 4, 1999.

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:

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 workmanlike 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 affecting the 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 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 now or hereafter erected on said premises against loss or damage by fire and such other hazards as the beneficiary may from time to time require, in an amount not less than the full insurable value, written in companies acceptable to the beneficiary, with loss payable to the latter; all policies of insurance shall be delivered to the beneficiary as soon as insured; if grantor shall fail for any reason to procure any such insurance and to deliver said policies to the beneficiary at least fifteen days prior to the expiration of any policy of insurance now or hereafter placed on said buildings, the beneficiary may procure same at grantor's expense. The amount collected under any fire or other insurance policy may be applied by the beneficiary upon any indebtedness secured hereby and in such order as beneficiary may determine, or at option of beneficiary the entire amount so collected, or any part thereof, may be released to grantor. Such application or release shall not cure or waive and default or notice of default hereunder or invalidate any act done 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 or by providing beneficiary with funds with which 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 hereby, together with 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 breach of any of the covenants hereof and for such payments, with interest as aforesaid, the property hereinbefore described, as well as the grantor, shall be bound to the same payable without notice, and the nonpayment thereof shall, at the option of the beneficiary, render all 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 deed 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.

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 suit, action or proceeding in which the beneficiary or trustee may appear, including any suit for the foreclosure of this deed, to pay all costs and expenses, including evidence of title and the beneficiary's or trustee's attorney's fees; the amount of attorney's fees mentioned in this paragraph 7 in all cases shall be fixed by the trial court and in the event of an appeal from any judgment or decrees of the trial court, grantor further agrees to pay such sum as the appellate court shall adjudge reasonable as the beneficiary's or trustee's attorney's fees on such appeal.

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 monies payable as compensation for such taking, which are

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.

TRUST DEED

ROY A. ADAMS and DOLORES J. ADAMS

PO BOX 20775

SALEM, OR 97307

Grantor

H. LOWELL WILSON and CORA BETH WILSON

8632 E OSBORN RD

SCOTTSDALE, AZ 85251

Beneficiary

After recording return to

Key Title Co PO Box 6178 Bend OR 97708

STATE OF OREGON, } ss.

County of _____

I certify that the within instrument

was received for record on the _____ day

of _____

at _____ o'clock _____ M., and recorded

in book/leaf/volume No. _____ on

page _____ or as fee/file/instru-

ment/microfilm/reception No. _____

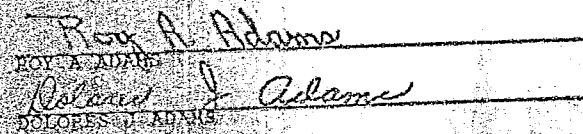
Recorder of Mortgages of said County.

Witness my hand and seal of

County affixed.

By _____ Deputy

and that the grantor 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. ~~NOTICE: Line out the warranty that does not apply~~
~~for the organization's or for the business or commercial purposes of the~~
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 mortgage, it is understood that the mortgagor or mortgagee may be more than one person; that if the context so
requires, the singular shall be taken to mean and include the plural; and that generally all grammatical changes shall be made, assumed
and implied to make the provisions hereof apply equally to corporations and to individuals.
IN WITNESS WHEREOF, said grantor has hereunto set his hand the day and year first above written.



STATE OF OREGON, County of Deschutes) ss.
This instrument was acknowledged before me on March 26, 1994
by ROY A ADAMS and DOLGRES J ADAMS
My Commission Expires 5/5/96 [Signature]
Notary Public for Oregon

[illegible]

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.