

326	100	100
WHEN RECORDED MAIL TO:	KLAMATH SAVINGS & LOAN ASSOCIATION 2323 DAHLIA KLAMATH FALLS OR 97601	FEDERAL SAVINGS & LOAN ASSOCIATION CREDIT OR 97601
ACCOUNT NUMBER:	030-04-004-8	
TAX ACCOUNT NUMBER:	614035	4400-115

DEED OF TRUST

THIS DUE OF TRUST ("Security Instrument")
TRUSTS OF THE GARY G. THOMPSON &
DATED JUNE 8, 1991.

"Borrower"). The trustee is WILLIAM D.
("Trustee"). The beneficiary is KLAMATH FI-
ST FEDERAL SAVINGS AND LOAN ASSOCIA-
TION, which is organized and existing under the laws of
address is CAMPUS BRANCH, 2323 DAHLIA,
THIRTY FOUR THOUSAND SIX HUNDRED FIFTY AND NO/100

This debt is evidenced by Borrower's note for monthly payments, with the full debt, if not paid as This Security Instrument secures to Lender: (a) all extensions and modifications of the Note; (b) the principal of this Security Instrument; and (c) the principal of this Security Instrument and the Note; and (d) the repayment pursuant to the paragraph below ("Future Advance").

FUTURE ADVANCES. Upon request to Borrower, Lender may make future advances to this Due of Trust when evidenced by promissory notes so long as they are secured by the title to the property granted and delivered to Trustee in trust.

KLAMATH COUNTY, OREGON

LOT 13 IN BLOCK 213 OF MILES S.
ACCORDING TO THE OFFICIAL PLAT
CHERRY OF KLAMATH COUNTY, OREGON

which has the address of 2237 WANTLAND AVE
Oregon 97601

TOGETHER WITH all the improvements re-
sitting now or hereafter a part of the property. All
of the foregoing is referred to in this Security In-

BORROWER COVENANTS that Borrower
covert the Property and that the Property is in-
tended generally to be held to the Property against all claims.

THIS SECURITY INSTRUMENT contains
variations by jurisdiction to constitute a uniform set

UNIFORM COVENANTS. Borrower and Lender

1. Payment of Principal and Interest: Payment
of principal and interest on the debt evidenced by the

2. Payment for Taxes and Insurance: Subject
on the day monthly payments are due under the yearly taxes and assessments which may then pro-
perty taxes or ground rent on the Property, if any
payments: (a) yearly; (e) yearly mortgage insurance
with the provisions of Paragraph 8, in lieu of the pa-
gated duty, at any time collect and hold Funds in

DECEMBER 13, 1991
THE GRANTOR IS
D. GAYLE L. THOMPSON REVOCABLE LIVING TRUST AGREEMENT

ST. FEDERAL SAVINGS AND LOAN ASSOCIATION
THE UNITED STATES OF AMERICA, and whose
STREET, KLAMATH FALLS, OR 97601
(Lender). Borrower owns Lender the principal sum of
THIRTY (U.S.\$ 34,650.00).

on the same date as this Security Instrument ("Note"), which provides for
the due and payable on FEBRUARY 1, 2029
repayment of the debt evidenced by the Note, with interest, and all renewals,
youth of all other sums, with interest, advanced under paragraph 7 to protect
the performance of Borrower's covenants and agreements under this Security
Instrument and any future advances, with interest thereon, made to Borrower by Lender
(hereinafter "Interest").

1. Lender's option prior to full reconveyance of the property by
Borrower. Such future advances, with interest thereon, shall be secured by
notes so long as they are secured hereby. For this purpose, Borrower
in power of sale, the following described property located in:

LOT 13 IN BLOCK 213 OF MILES S.
ACCORDING TO THE OFFICIAL PLAT
CHERRY OF KLAMATH COUNTY, OREGON

KLAMATH FALLS
[Street, City]
Zip Code [Property Address]

or hereafter erected on the property, and all easements, appurtenances, and
replacements thereto, which shall also be covered by this Security Instrument
as the "Property."

lawfully seized of the estate hereby conveyed and has the right to grant and
release, except for encumbrances of record. Borrower warrants and will defend
demands, subject to any encumbrances of record.

uniform covenants for rational use and non-uniform covenants with limited
liability instruments covering real property.

as follows:
Charges. Borrower shall promptly pay when due the
agent and late charges due under the Note
written waiver by Lender, Borrower shall pay to Lender
ad valorem a sum ("Funds") equal to one-twelfth of: (a)
by over this Security
instrument as a loan on the Property; (b) yearly household
property insurance premiums; (c) yearly flood insurance
premiums, if any; and (d) any sum payable by Borrower to Lender, in accordance
with the terms of this instrument. These items are called "Borrower Items."
maximum amount a lender for a federally related

SREG-IM Single Family

Exempted from

SELECTED

Form 5033-9/90

107

sufficient loan and require for Borrower's protection from time to time, 12 U.S.C. Section 2601 et seq., and the Funds held by Lender at any time, collect the amount of Funds due on the basis of current or in accordance with applicable law.

The Funds shall be held in an institution Lender, if Lender is such an institution) or in a Lender may not charge Borrower for holding Escrow Items, unless Lender pays Borrower. However, Lender may require Borrower to pay Lender in connection with this loan, unless it deems interest to be paid, Lender shall not Lender may agree in writing, however, that annual accounting of the Funds, showing credit and debit to the Funds and the purpose for which each debit to the Funds was made. The Funds are pledged as additional security.

If the Funds held by Lender exceed the amount of Funds in accordance with the requirements sufficient to pay the Escrow Items when due, Lender the amount necessary to make up the payments, at Lender's sole discretion.

Upon payment in full of all sums secured by Lender. If, under paragraph 11, Lender's Property, shall apply any Funds held by Lender Security Instrument.

3. Application of Payments. Unless otherwise provided, paragraph 2 shall be applied first to any prepayment of interest due; fourth, to principal due; and last,

4. Charges; Liens. Borrower shall pay all which may attain priority over this Security Instrument, in the manner provided in paragraph 11, to principal person owed payment. Borrower shall promptly make these payments directly, Borrower

Borrower shall promptly discharge any lien writing to the payee of the obligation secured or otherwise against enforcement of the lien in, let of the lien; or (c) so long as from the holder of the instrument. If Lender determines that any part instrument, Lender may give Borrower a notice set forth above, within 10 days of the giving.

5. Hazard or Property Insurance. Borrower insuring against loss by fire, hazards included in the insurance, for which Lender requires insurance. The insurance carrier providing the insurance shall be unreasonably withheld. If Borrower fails to coverage to protect Lender's rights in the Property.

All insurance policies and renewals shall be have the right to hold the policies and renewals premiums and renewal notices. In the event of loss, may make proof of loss if not made promptly by

Unless Lender and Borrower otherwise agree, Property damaged, if the restoration or repair is not economically feasible or Lender's security is lessened by this Security Instrument, whether or not the Property, or does not respond within 30 days, and Lender may collect the insurance proceeds. Lender by this Security Instrument, whether or not then due.

Unless Lender and Borrower otherwise agree, the due date of the monthly payments referred to in paragraph 21, the Property is acquired by Lender; ownership of the Property prior to the acquisition shall pass to Lender prior to the acquisition.

6. Occupancy, Preservation, Maintenance. Borrower shall occupy, establish, and use the Property in accordance with the terms of this Security Instrument and shall continue to occupy the Property, unless Lender otherwise agrees. Extenuating circumstances exist which are beyond Lender's control, allowing the Property to deteriorate, or commit waste, proceeding, whether civil or criminal, if begun the otherwise materially impair the lien created by the debt and repossess, as provided in paragraph 16. Lender's good faith determination, provides for the loan application process, gave materially false or inaccurate information) in connection with the concerning Borrower's occupancy of the property, shall comply with all the provisions of the lease. If Lender agrees to the merger in writing.

7. Protection of Lender's Rights in the Property. If there is a legal proceeding in bankruptcy, probate, for condemnation, or other action is necessary to protect the value of the property, or sums secured by a lien, which may be taken off the property and entering on the property, to make

now account under the Federal Real Estate Settlement Procedures Act of 1974, as amended, and the law that applies to the Funds sets a lesser amount not to exceed the lesser amount. Lender may estimate amounts of expenditures of future Escrow Items or otherwise.

hold deposits, be required by a trustee, agency, insurance company, or entity (including Federal Home Loan Bank), Lender will apply the Funds to pay the Escrow Items. Lender is annually in writing the Escrow account, or verifying the and applicable law permits Lender to make such a charge, a one-time charge, or an independent real estate tax reporting service used by Lender otherwise. Unless an agreement is made or applicable law required to pay Borrower may interest or earnings on the Funds. Borrower and Lender shall be paid on the Funds. Lender shall give to Borrower, without charge, an and debits to the Funds and the purpose for which each debit to the Funds was by this Security Instrument.

units permitted to be held by applicable law, Lender shall account to Borrower for items of applicable law. If the amount of the Funds held by Lender at any time is Lender may, upon notice to Borrower in writing, and, in such case Borrower shall pay deficiency. Borrower shall make up the deficiency in no more than twelve months.

by this Security Instrument, Lender shall promptly refund to Borrower any Funds shall acquire or sell the Property, Lender, prior to the acquisition or sale of the at the time of acquisition or sale is a credit against the sum secured by this

otherwise, all payments received by Lender under paragraphs 1 Note, second, to amounts payable under paragraph 2; third, under the Note.

taxes, assessments, charges, fines and impositions attributable to the Property, and leasehold payments or ground rents, if any, Borrower shall pay these, or if not paid in that manner, Borrower shall pay them on time directly to the furnish to Lender all notices of amounts to be paid under this paragraph. If

Lender shall promptly furnish to Lender receipts evidencing the payments, which has priority over this Security Instrument, unless Borrower: (a) agrees in the form in a manner acceptable to Lender; (b) contests in good faith the lien by proceedings which in the Lender's opinion operate to prevent the enforcement of the lien; or (c) enters into an agreement satisfactory to Lender subordinating the lien to this Security Instrument is subject to a lien which may attain priority over this Security identifying the lien, Borrower shall satisfy the lien or take one or more of the notice.

should keep the improvements now existing or hereafter erected on the Property during the term, extended coverage," and any other hazards, including floods or s insurance shall be maintained in the amounts and for the periods that Lender may choose by Borrower subject to Lender's approval, which shall not include coverage described above. Lender may, at Lender's option, obtain a accordance with paragraph 7.

acceptable to Lender, and shall include a standard mortgage clause. Lender shall Lender requires, Borrower shall promptly give to Lender all receipts of paid Borrower shall give prompt notice to the insurance carrier and Lender. Lender

in writing, insurance proceeds shall be applied to restoration or repair of the Property if the restoration or repair is economically feasible and Lender's security is not lessened. If the restoration or repair would be lessened, the insurance proceeds shall be applied to the sums of then due, with any excess paid to Borrower. If Borrower abandons the property from Lender the insurance carrier has offered to settle a claim, then may, use the proceeds to repair or restore the Property or to pay sums secured by the 30-day period will begin when the notice is given.

In writing, any application of proceeds to principal shall not extend or postpone paragraphs 1 and 2 or change the amount of the payments. If under paragraph right to any insurance policies and proceeds resulting from damage to the extent of the sums secured by this Security Instrument immediately

d. Protection of the Property; Borrower's Loan Application; Leaseholds. If Borrower's principal residence within sixty days after the execution of the Property as Borrower's principal residence for at least one year after the in writing, which consent shall not be unreasonably withheld, or unless Borrower's control. Borrower shall not destroy, damage or impair the Property, on the Property. Borrower shall be in default if any forfeiture action or in Lender's good faith judgment could result in forfeiture of the Property or Security Instrument or Lender's security interest. Borrower may cure such a by causing the action or proceeding to be dismissed with a ruling that, in re of the Borrower's interest in the Property or other material impairment of its security interest. Borrower shall also be in default if Borrower, during the course of the information or statements to Lender (or failed to provide Lender with any evidence by the Note, including, but not limited to, representations a principal residence. If this Security Instrument is on a leasehold, Borrower owner acquires the title to the Property, the leasehold and the fee title shall g.

e. Protection of Lender's Rights in the Property. If Borrower fails to perform the covenants and agreements contained in the property, which may significantly affect Lender's rights in the Property (such as a proceeding on to force laws or regulations), then Lender may do and pay Property and Lender's rights in the Property. Lender's actions may include any action under this Security Instrument, appearing in court, paying reasonable expenses. Although Lender may take action under this paragraph 7, Lender does not have to do so.

amounts disbursed by Lender under this instrument. Unless otherwise agreed at the time and place and shall be at the time of issuance. Warning: Insurance coverage is required by our contract or the Lender's interest. Insurance may not be purchased may not pay at the time of issuance; this coverage is responsible for cost of insurance by providing evidence of the Borrower failed to provide proof of coverage.

The coverage Lender purchases may be own and may not satisfy the need for property applicable law.

8. Mortgage insurance. If Lender requires Insurance, Borrower shall pay the premium mortgage insurance coverage required by Lender, coverage substantially equivalent to the to Borrower of the mortgage insurance previously equivalent mortgage insurance coverage is not the yearly mortgage insurance premiums being Lender will accept, use and retain these payments no longer be required; at the option of Lender (as required) provided by an insurer approved by Lender to maintain mortgage insurance in accordance with any written agreement between

9. Inspection. Lender or its agent may Borrower notice at the time of or prior to an inspection.

10. Condemnation. The proceeds of an condemnation or other taking of any part of the be paid to Lender.

In the event of a total taking of the Property whether or not then due, with any excess paid value of the Property immediately before the taking, the Security Instrument shall be reduced by the amount secured immediately before the taking, if any balance shall be paid to Borrower. In the Property immediately before the taking is less than Lender otherwise agrees in writing or unless secured by this Security Instrument whether or not

If the Property is abandoned by Borrower and/or settles a claim for damages, Borrower is authorized to collect and apply the proceeds of this Security Instrument, whether or not then due.

Unless Lender and Borrower otherwise agree the due date of the monthly payments referred to

11. Borrower Not Released. For bearing the obligation of the sums secured by this Security Instrument to release the liability of the original co-defendants, proceedings against any successor in the surety secured by this Security Instrument by interest. Any forbearance by Lender in exercising

12. Successors and Assigns. Borrower, Security Instrument shall bind and benefit the paragraph 17. Borrower's covenants and agreements instrument but does not execute the Note; (a) Borrower's interest in the Property under the note secured by this Security instrument, and (c) agree make any accommodations with regard to the note.

13. Loan Charges. If the loan secured by this law is finally interpreted so that the interest exceed the permitted limit, then: (a) any such permitted limit and (b) any sums unlawfully collected. Lender may choose to make this refund by reducing the principal. If a refund reduces principal, the reduction will be

14. Notices. Any notice to Borrower provided by first class mail unless applicable law requires other address. Borrower designates by notice to Lender herein or any other address Lender designates shall be deemed to have been given to Borrower.

15. Governing Law; Severability. Disputes arising in which the Property is located. In conflict with applicable law, such conflict shall give effect without the conflicting provision. To severable.

16. Borrower's Copy. Borrower shall be given

17. Transfer of the Property or a Beneficial interest in the property without Lender's written consent. Lender may transfer this instrument. However, this option shall not be included in this Security Instrument.

is paragraph 17. The additional debt of Borrower secured by this Security instrument shall bear interest from the date of payment of the amounts secured by this instrument to Borrower requesting payment. Lender (the "Lender") will evidence of insurance coverage is required by Borrower's contract or the Lender's interest. If the collateral becomes damaged, the Borrower is covered property coverage elsewhere.

18. The cost of this insurance may be added to your contract or loan balance. If the cost is added to the balance, the insurance on the underlying contract or loan will coverage may be the date the Borrower's prior coverage lapsed or the date the

insurance coverage is or other mandatory liability insurance requirements imposed by

19. Mortgage insurance. As a condition of making the loan secured by this Security instrument to maintain the mortgage insurance in effect. If, for any reason, the mortgage insurance ceases to be in effect, Borrower shall pay the premiums required to be previously in effect, at a cost substantially equivalent to the cost of an alternate mortgage insurer approved by Lender. If substantially available, Borrower shall pay to Lender each month a sum equal to one-twelfth of aid by Borrower when the insurance coverage lapsed or ceased to be in effect, as a loss reserve in lieu of mortgage insurance. Loss reserve payments may if mortgage insurance coverage (in the amount and for the period that Lender under again becomes available and is obtained. Borrower shall pay the premiums or to provide a loss reserve, until the requirement for mortgage insurance ends in accordance with applicable law.

20. Inspection. Lender or its agent may make reasonable entries upon and inspections of the Property. Lender shall give

21. Condemnation. Lender specifies in writing, reasonable cause for the inspection.

22. Condemnation. The proceeds of an condemnation or other taking of any part of the property, or for payment in lieu of condemnation, are hereby assigned and shall be applied to the sums secured by this Security Instrument, Borrower. In the event of a partial taking of the Property in which the fair market value is equal to or greater than the amount of the sums secured by this Security instrument, Borrower and Lender, if they so agree in writing, the sums secured by this instrument shall be applied by the following fraction: (a) the total amount of the proceeds divided by (b) the fair market value of the Property immediately before the taking, event of a partial taking of the Property in which the fair market value of the amount of the sums secured immediately before the taking, unless Borrower applicable law otherwise provides the proceeds shall be applied to the sums the sums are demanded.

23. After notice by Lender to Borrower that the condemnor offers to make an offer to respond to Lender within 30 days after the date the notice is given, Lender is entitled to negotiate or settle of the Property or to the sums secured by

24. In writing, any application of proceeds to principal shall not extend or postpone a paragraph 17. to change the amount of such payments.

25. By Lender. Notice of Waiver: Extension of the time for payment or modification of instrument granted by Lender to an assignee or successor in interest of Borrower or Borrower's successors in interest. Lender shall not be required to extend time for payment or otherwise modify amortization of any of any command made by the original Borrower or Borrower's successors in any right or remedy shall not be a waiver of or preclude the exercise of any right or remedy.

26. Liability; Co-signers. The covenants and agreements of this Security instrument shall bind and benefit the co-signers of this Security instrument only to mortgage, grant and convey that Lender is not personally obligated to pay the sums secured by this Security instrument or the Note without that Borrower's consent.

27. Security instrument is subject to a law which sets maximum loan charges, and charges collected or to be collected in connection with the loan be reduced by the amount necessary to reduce the charge to the amount exceeded permitted limits will be refunded to Borrower. owed under the Note or by making a direct payment to Borrower. partial payment with any prepayment charge under the Note.

28. Notice: Delivery. The notice shall be given by delivering it or by mailing it to Lender. Any notice to Lender shall be given by first class mail to Lender's address set by notice to Borrower. Any notice provided for in this Security instrument given to Lender when given is provided in this paragraph.

29. Governing Law. This instrument shall be governed by federal law and the law of the state in which the Property is located. If any provision of this Security instrument or the Note provisions of this Security instrument or the Note which can be provisions of this Security instrument and the Note are declared to be

30. One copy of the Note and of this Security instrument. If all or any part of the Property or any interest in it is transferred to Borrower (if Borrower is not a natural person) without Lender's written consent, Lender may require full payment of all sums secured by this Security instrument is governed by federal law as of the date of this instrument.

13. Extended Payment Rider: Lender exercises this option, Lender and Borrower fail to pay the instrument without notice to his SecuritY Instrument. If this Security Instrument is not paid within 180 days from the date the Note is first due, Lender may invoke any remedies permitted by law.

14. Right to Reinstatement: If the Security Instrument discharged is modified for reinstatement before sale of the property if a judgment enforcing this Security Instrument would be due under this Security Instrument covenants or agreements; (c) pays all reasonable attorney fees; and (d) takes instrument, Lender's rights in the Property continue unchanged. Upon reinstatement, this right is fully effective unless no acceleration has occurred under paragraph 17.

15. Sale of Note: Change of Loan Instrument may be sold one or more times to the "Loan Servicer" that collects monthly payments due under the Note and written notice of the change in accordance with paragraph 17. The new Loan Servicer and the address required by applicable law.

16. Hazardous Substances: Borrower shall not cause or permit the practice, use, disposal, storage, or release of any Hazardous Substances on or in the Property that is in violation of any Environmental Law. Property of small quantities of Hazardous Substances that are generally recognized to be appropriate to normal residential uses and

Borrower shall promptly give Lender written notice of any investigation party involved in the Property and any Borrower learns or is notified by any governmental or regulatory authority, that any substance affecting the Property is necessary, Borrower shall promptly take all Environmental Law. Substances are those substances defined as toxic or hazardous substances by federal laws and laws of the jurisdiction where the Property is located that relate to health, safety or environmental protection.

NON-UNIFORM COVENANTS: Borrower and Lender further covenant and agree as follows:

17. Acceleration: Remedies: Lender is entitled to give notice to Borrower prior to acceleration following Borrower's breach of any covenant or agreement in this Security Instrument (but not prior to acceleration under paragraph 17 unless applicable law provides otherwise). The notice shall specify: (a) the default; (b) the action required to cure the default; (c) a date, not less than 30 days from the date the notice is given to Borrower, by which the default must be cured; and (d) that failure to cure the default on or before the date specified in the notice may result in acceleration of the sums secured by this Security Instrument and sale of the Property. The notice shall further inform Borrower of the right to reinstate after acceleration and the right to bring a court action to assert the non-existence of a default or any other defense of Borrower to prevent or delay the date specified in the notice. Lender, at its option, may foreclose on the Property at public auction to the highest bidder at the time and place and under the terms designated in the notice of sale in one or more parcels and in any order of all or any parcel of the Property by public announcement at the time and place of any previously scheduled sale. Lender or its designee may purchase the Property at any sale.

Trustee shall deliver to the purchaser expressed or implied. The recitals in the Trust Deed, Trustee shall apply the proceeds of limited to, reasonably Trustee's and attorney to the person or persons legally entitled to it.

18. Reconveyance: Upon payment of all the Property and shall reconvey this Security Instrument. Trustee shall reconvey the Property to the person or persons legally entitled to it. Such person or persons shall pay a fee to Trustee.

19. Substitution: Trustee, Lender may, fit appointed hereunder. Without conveyance of, concerned upon Trustee herein and by applicable law.

20. Attorney Fees: As used in this Section, "attorneys' fees" shall include any attorneys' fees awarded by an appellate court.

21. Riders to this Security Instrument: Security Instrument, the covenants and agreements the covenants and agreements of this Security Instrument, applicable bracket(s)).

22. Adjustable Rate Rider
23. Graduated Payment Rider
24. Balloon Rider
25. VA Rider

26. One or more riders of each type described as if the rider(s) were a part of this Security Instrument.

Cardboard Rider
Planned Unit Development Rider
Rate Inquiry Rider
Others [specify]

Family Rider
 Biweekly Payment Rider
 Second Home Rider

"UNDER OREGON LAW, MOST AGREEMENTS ARE NOT FOR PERSONAL, FAMILY, OR BUSINESS PURPOSES. THIS DOCUMENT IS AN AGREEMENT TO BE ENFORCEABLE."

PROMISEE AND
CERNING LOANS
DUEHOOLD FEE
ITING PASS
COMMITMENT IS MADE BY US AFTER
ND OTHER CREDIT EXTENSION WHICH
ES OR SECURED SIMPLY BY THE
CONSIDERATION AND BE SIGNED.

SIGNING BY WITNESS (if executed by Witnesses)	Borrower, co-signer or other and related to this instrument	Signatures of Borrower and co-signer	This is a LIVING TRUST AGREEMENT DATED JUNE 1, 1991 BY GARY C. THOMPSON AND GAYLE L. THOMPSON RECEIVED IN THE CLERK'S OFFICE OF THE COURT OF COMMON PLEAS OF CLACKAMAS COUNTY, STATE OF OREGON ON THIS 18TH DAY OF JANUARY 1991, BY GARY C. THOMPSON AND GAYLE L. THOMPSON, INDIVIDUALLY AND AS TRUSTEES OF THE GARY C. THOMPSON REVOCABLE LIVING TRUST AGREEMENT MADE AND EXECUTED THIS 18TH DAY OF JANUARY 1991 IN THE CITY OF PORTLAND, CLACKAMAS COUNTY, STATE OF OREGON.	1991 LIVING TRUST AGREEMENT DATED JUNE 1, 1991 BY GARY C. THOMPSON AND GAYLE L. THOMPSON RECEIVED IN THE CLERK'S OFFICE OF THE COURT OF COMMON PLEAS OF CLACKAMAS COUNTY, STATE OF OREGON ON THIS 18TH DAY OF JANUARY 1991, BY GARY C. THOMPSON AND GAYLE L. THOMPSON, INDIVIDUALLY AND AS TRUSTEES OF THE GARY C. THOMPSON REVOCABLE LIVING TRUST AGREEMENT MADE AND EXECUTED THIS 18TH DAY OF JANUARY 1991 IN THE CITY OF PORTLAND, CLACKAMAS COUNTY, STATE OF OREGON.
GARY C. THOMPSON	(Seal)	GAYLE L. THOMPSON	(Seal)	
GAYLE L. THOMPSON	(Seal)	GARY C. THOMPSON	(Seal)	

STATE OF OREGON, County of Clackamas, State of Oregon, on this 18th day of January, 1991, Gary C. Thompson and Gayle L. Thompson, individuals, husband and wife, Revocable Living Trust Agreement, made and executed before me, a Notary Public, in the City of Portland, Clackamas County, State of Oregon, personally appeared the above named Gary C. Thompson and Gayle L. Thompson, individually and as Trustees of the Gary C. Thompson Revocable Living Trust Agreement, and acknowledged the foregoing instrument to be their voluntary act and deed.

My Commission Expires: 12-20-02
(Official Seal)



Notary Public Seal

1-4 FAMILY RIDER

Assignment of Rents

THIS 1-4 FAMILY RIDER is incorporated into and shall be deemed to be a part of the Security Instrument ("Security Instrument") of the same date and is given by the Borrower (the "Borrower") to secure Borrower's Note to

KLANA FIRST FEDERAL SAVINGS AND LOAN ASSOCIATION

(the "Lender")

of the same date and covering the Property described in the Security Instrument located at:

2237 TANCLAN

KLANA, OREGON

97131-3111

Proper Address

In addition to the covenants and agreements made in the Security Instrument, the Borrower further covenants:

A. ADDITIONAL PROPERTY. In addition to the Property described in the Security Instrument, the following items are added to the Property description and shall be Security Instrument: building materials, appliances and goods of every kind, in, on, or used, or intended to be used in connection with the Property, for purposes of supplying or distributing heating, cooling, electricity, gas, extinguishing apparatus, security and access control apparatus, plumbing, sinks, ranges, stoves, refrigerators, dishwashers, disposals, washers, dryers, robes, blinds, shades, curtains and curtain rods, attached mirrors, cabinets, now or hereafter attached to the Property, all of which, including attachments, shall remain a part of the Property covered by the Security Instrument. All of the foregoing together with the Property described in the Security Instrument (or the leasehold estate if the Security Instrument is of the Security Instrument) is referred to in this 1-4 Family Rider and the Security

B. USE OF PROPERTY; COMPLIANCE WITH LAW. Borrower shall not seek, agree to or make a zoning classification, unless Lender has agreed in writing to the change, ordinances, regulations and requirements of any governmental body applicable to the Property.

C. SUBORDINATE LEADS. Except as permitted by federal law, Borrower shall not allow any lien inferior against the Property to Lender's prior written permission.

D. RENT LOSS INSURANCE. Borrower shall maintain insurance against rent loss in addition to the other insurance coverage.

E. BORROWER'S OCCUPANCY. Unless Lender and Borrower otherwise agree in writing, the first month's occupancy of the Property is deleted. All remaining covenants and agreements set forth in the Security Instrument remain in effect.

OREGON 1-4 FAMILY RIDER - Fannie Mae

Q32-57(OII) (Rev)

Exhibit A to the Security Instrument

1-4 Family Rider

F. ASSIGNMENT OF LEASES.

Property and all security deposits made shall have the right to modify, extend or discontinue. As used in this paragraph G, "Leasehold" means:

G. ASSIGNMENT OF RENTS.

Borrower absolutely and unconditionally assigns and transfers to Lender all the rents and revenues ("Rents") of the Property, regardless of to whom the Rents are payable. Borrower authorizes Lender or Lender's agents to collect the Rents, and agents' agents. However, Borrower shall receive paragraph 21 of the Security Instrument paid to Lender or Lender's agent. This assignment for additional security only.

If Lender gives notice of breach to trustee for the benefit of Lender only, to be entitled to collect and receive all of Property shall pay all Rents due and unpaid to Lender or Lender's agents upon Lender's written demand to do otherwise; all Rents collected by Lender or Lender's agents shall be applied first in the costs of taking control limited to, attorneys' fees, receiver's fee premiums, taxes, assessments and other instruments; (v) Lender, Lender's agents, Rents actually received; and (vi) Lender manage the Property and collect the Rents in adequacy of the Property as security.

If the Rents of the Property are insufficient to cover the costs of taking control of and managing the Property and of collecting the Rents are secured by the Security Instrument, Borrower to Lender secured by the Security Instrument, pursuant to Uniform Commercial Code.

Borrower represents and warrants it has not and will not perform any act that would prevent Lender from exercising its rights under this paragraph.

Lender, or Lender's agents or a judicially appointed receiver, shall not be required to enter upon, take control of or maintain the Property before or after a garnishment or a judicially appointed receiver, shall not curtail or waive any definition in the Property shall terminate when all the Rents secured by the Security Instrument are paid in full.

H. CROSS-DEFAULT PROVISION which Lender has no interest shall be a cross-default provision permitted by the Security Instrument.

BY SIGNING BELOW, Borrower agrees to the terms and provisions contained in this 1-4 Family Right-of-Crushing of the Gary G. Thompson Trust dated January 8, 1989.

Upon Lender's request, Borrower shall assign to Lender all leases of the Property. Upon the assignment, Lender terminates the existing leases and to execute new leases, in Lender's sole discretion. As used in this paragraph G, "Lease" means "sublease" if the Security Instrument is on a leasehold.

APPOINTMENT OF RECEIVER; LENDER IN POSSESSION.

Assigns and transfers to Lender all the rents and revenues ("Rents") of the Property are payable. Borrower authorizes Lender or Lender's agents to collect the Rents to Lender or Lender's agents until (i) Lender has given Borrower notice of default pursuant to and (ii) Lender has given notice to the tenant(s) that the Rents are to be assigned. Assignment of Rents constitutes an absolute assignment and not an

mortgage; (i) all Rents received by Borrower shall be held by Borrower as applied to the sums secured by the Security Instrument; (ii) Lender shall be Rents of the Property; (iii) Borrower agrees that each tenant of the Property shall pay all Rents due and unpaid to Lender or Lender's agents upon Lender's written demand to do otherwise; all Rents collected by Lender or Lender's agents shall be applied first in the costs of taking control of and managing the Property and of collecting the Rents, including, but not limited to, premiums on receiver's bonds, repair and maintenance costs, insurance premiums on receiver's bonds, repair and maintenance costs, insurance charges on the Property, and then to the sums secured by the Security Instrument; (iv) judicially appointed receiver shall be liable to account for only those sums that shall be entitled to have and receive, apportioned to take possession of and profits derived from the Property without any showing as to the

sufficient to cover the costs of taking control of and managing the Property and of collecting the Rents are secured by the Security Instrument, pursuant to Uniform Commercial Code.

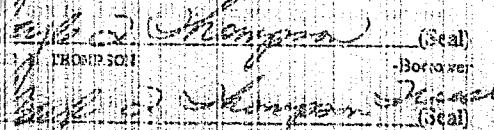
Borrower has not executed any prior assignments of the Rents and has prevented Lender from exercising its rights under this paragraph.

Judicially appointed receiver, shall not be required to enter upon, take control of or maintain the Property before or after a garnishment or a judicially appointed receiver, shall not curtail or waive any definition in the Property shall terminate when all the Rents secured by the Security Instrument are paid in full.

K. BORROWER'S OBLIGATION UNDER ANY NOTE OR AGREEMENT IN WRITING UNDER THE SECURITY INSTRUMENT AND LENDER MAY INVOKE ANY OF THE

OPENS AND AGREES TO THE TERMS AND PROVISIONS CONTAINED IN THIS 1-4 FAMILY RIGHT-OF-CRUSHING OF THE GARY G. THOMPSON TRUST, A RESIDENTIAL DATED


GARY G. THOMPSON
TRUSTEE

Borrower	GARY G. THOMPSON	Borrower
By		By
Executive	TRUSTEE	Executive

STATE OF OREGON : COUNTY OF Klamath

Form 3126.38 (1989)

Filed or record requested January A.D. 1989

125	check	P. M.	19th
or	or	or	day
or	or	or	Month

FEE \$40.00

Linda Morris, County Clerk