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P.O.Box 441159
Indianapolis, IN 46244-1159

338-337007

Equity Line of Credit
TRUST DEED (Not for Purchase Money)DATE OF TRUST DEED
June 12, 2000

K54438

CONSIDERATION AND CONVEYANCE

This trust deed is made on the date noted above between the parties listed below. Under this trust deed and related Home Equity Loan, an Equity Line of Credit Account Contract ("Account"), Credit/Beneficiary is obligated to make advances on a continuing basis, for ten (10) years, up to the principal amount shown below (Trustor's Credit Limit), consistent with the terms of the Account. Any party interested in the details related to Creditor/Beneficiary's continuing obligation to make advances to Trustor(s) is advised to consult Creditor/Beneficiary directly. In consideration of Creditor/Beneficiary's obligation to make continued advances to Trustor(s) under Trustor(s) Account, Trustor(s) grants, conveys and warrants to the Trustee, its successors and assigns, forever, in trust, with power of sale, the land and property located and described as noted below

LOT 1 IN BLOCK 32 OF TRACT 1084-FIFTH ADDITION TO
KLAMATH RIVER ACRES, ACCORDING TO THE OFFICAL PLAT
THEREOF ON FILE IN THE OFFICE OF THE COUNTY CLERK OF
KLAMATH COUNTY, OREGON.

Borrower Mailing Address:

11685 WHISPERING PINE DRIVE KENO, OR 97627
together with all interest in the property, all rights, privileges, or improvements belonging to or passable with the property, easements and rights of way, and all buildings and fixtures, to secure the agreements specified in this Trust Deed as well as the Account Contract between Trustor(s)/Borrower(s) and Creditor/Beneficiary which this Trust Deed secures. The Trustor(s)/Borrower(s) covenant and agree with the Trustee and Creditor/Beneficiary that the Trustor(s)/Borrower(s) is lawfully seized of said premises and has good right and lawful authority to grant, convey and warrant said premises and that said premises are free and clear of all liens and encumbrances except those shown below of record in favor of the party(ies) shown below on which the unpaid balance as of the date of this agreement does not exceed the amount shown. If the following blanks concerning exceptions are left blank, then it is understood that the Trustor(s)/Borrower(s) has represented that there are no prior liens of any kind upon the above described real property. The Trustor(s)/Borrower(s) will warrant and defend the title to said premises to the Trustee and his, her or its successors and assigns forever against the claims of all persons.

EXCEPTIONS

IN FAVOR OF

UNPAID BALANCE
DOES NOT EXCEED
\$TRUSTOR(S)/BORROWER(S)
JAMES L BARBEE
PENNY J BARBEE11685 WHISPERING PINE DRIVE
KENO OR
KLAMATH COUNTYTRUSTEE
FIRST AMERICAN TITLE
442 MAIN STREET
KLAMATH OR
COUNTY

CREDITOR/BENEFICIARY

First Indiana Bank
135 N. Pennsylvania Street, Indianapolis, IN**Marion County**

PRINCIPAL AMOUNT

Twenty Five Thousand and 00/100

\$ 25000.00

Trustor(s)/Borrower(s) acknowledge they have read and understand the
forgoing terms as well as those terms appearing on the reverse side hereof.

K311

COLLATERAL FOR ACCOUNT. This Trust Deed is given to secure the agreements specified in this Trust Deed as well as the Account Contract between Trustor(s)/Borrower(s) and Trustee which this Trust Deed secures.

PAYMENT. The Trustor(s)/Borrower(s) will pay all indebtedness which this Trust Deed secures according to the terms of the Account Contract which governs such indebtedness.

PROTECTION OF PROPERTY. The Trustor(s)/Borrower(s) will keep all of the property conveyed in good repair and will keep it insured for the Creditor/Beneficiary's protection with an insurer of the Trustor(s)/Borrower(s) choice. The Trustor(s)/Borrower(s) will pay all taxes, assessments and other charges when they are due.

DUE ON SALE. In the event the Trustor(s)/Borrower(s) shall sell, assign or otherwise transfer their interest in the property, whether by deed, contract or otherwise, such sale or assignment may, at the Trustee's option, constitute a default in the Contract and subject that Contract to the Trustee's right to demand payment in full.

PAYMENT OF SUPERIOR INTEREST. The Trustor(s)/Borrower(s) will pay all indebtedness to which this Trust Deed is secondary according to the terms of such other obligation(s), and in no way will cause such other indebtedness to be declared in default.

FORECLOSURE COSTS. Trustor(s)/Borrower(s) agree to pay, and this Trust Deed shall secure, the payment of all costs of foreclosure, including, but not limited to, reasonable attorney fees, costs of abstract, title insurance, court and advertising costs.

POWER OF SALE. The Trustor(s)/Borrower(s) grant to Trustee a power of sale, subject to the requirements of applicable state law, which Trustee may use to sell the conveyed property if the Trustor(s)/Borrower(s) default in the payment of any indebtedness secured by this Trust Deed or commit any other act or omission as specified in the Account Contract which is secured by this Trust Deed under the provision entitled Account

DEFAULT AND REMEDIES. Full power and authority is hereby granted to the Trustee to carry out any and all duties and responsibilities to the Creditor/Beneficiary applicable to state law, as well as to carry out any directive of the Creditor/Beneficiary which may be made pursuant to law or pursuant to a default by the Trustor(s)/Borrower(s) in this Trust Deed and the provision entitled Account Termination and Acceleration of Amounts Due under the Account Contract secured by this Trust Deed. Such action(s) by the Trustee are not limited in any manner whatsoever by the following, however, it is specifically mutually agreed that:

(a) Upon default by Trustor(s)/Borrower(s) of any provision in this Trust Deed or the referenced provision of the Account Contract secured by this Trust Deed, or in the payment of any indebtedness secured by the real property described on the reverse side, Creditor/Beneficiary may declare all sums secured by this Trust Deed immediately due and payable by delivery to Trustee of written statement of such default. If Creditor/Beneficiary wishes the real property described above to be sold, it shall deposit with Trustee the Trust Deed and all promissory notes, loan agreements or other documents evidencing indebtedness or expenditures secured hereby, and shall deliver to Trustee a written notice of default as well as an election to have said property sold in the form required by law, which shall be duly filed for record by the Trustee. After the expiration of such notice of default, the notice of default and notice of sale having been given as required by law, Trustee, without demand on Trustor(s)/Borrower(s), shall sell said property on the date and at the time and place designated in said notice of sale at public auction to the highest bidder, the purchase price payable in lawful money of the United States at the time of sale. The person conducting the sale may, for any cause deemed expedient, postpone the sale from time to time until it shall be completed, and in every case, notice of postponement shall be given by public declaration thereof by such person at the time and place last appointed for the sale provided, however, that if the sale is postponed for longer than one (1) day beyond the day designated in the notice of sale, notice thereof shall be given in the same manner as the original notice of sale. Trustee shall execute and deliver to the purchaser its deed conveying said property so sold but without any covenant or warranty express or implied. Any person, including the Creditor/Beneficiary, may purchase the real property at the sale. It is further more agreed and understood that all reasonable Trustee fees, including Trustee's attorney fees, shall become the obligation of the Trustor(s)/Borrower(s) and may be paid out of the proceeds of the sale.

(b) Creditor/Beneficiary shall have the option to foreclose this Trust Deed in any manner provided by law for the foreclosure of mortgages on real property.

(c) Creditor/Beneficiary has the absolute right to substitute a successor or successors to any Trustee named in this Trust Deed or acting hereunder. Upon such substitution, and without conveyance to the successor Trustee, the successor Trustee shall be vested with all title, powers, and duties conferred upon any Trustee herein named or acting hereunder. Each substitution shall be made in writing and executed by the Creditor/Beneficiary, and shall reference this Trust Deed and its place of record, which when recorded in the local filing office in the county or counties in which the above described real property is situated, or in the central filing office as may be appropriate, to show the absolute proof of proper appointment of the successor Trustee. Additionally, a successor Trustee may be appointed by any procedure provided by law for the substitution of a Trustee.

DUE ON SALE. Trustor(s)/Borrower(s) covenant and agree that upon any conveyance, assignment or transfer of the Trustor(s)/Borrower(s) interest in the premises during the term of any loan secured by this Trust Deed, or of any divestiture of title or interest in the real property, whether voluntary or involuntary, the Creditor/Beneficiary shall have the option of declaring the unpaid balance of any indebtedness secured hereby immediately due and payable and that the Creditor/Beneficiary can cause notice of default to be given and the premises to be sold as herein provided.

APPLICABLE LAW. This Trust Deed shall be governed and construed according to the laws of the state where the real property is located.

NOTICE OF DEFAULT. The Trustor(s)/Borrower(s) request that a copy of any notice of default and of any notice of sale hereunder be mailed to the address of the Trustor(s)/Borrower(s) as set forth on the reverse side.

PROTECTION OF LENDER'S RIGHTS IN THE PROPERTY. If Borrower fails to perform the covenants and agreements contained in this Security Instrument, or there is a legal proceeding that may significantly affect Lender's rights in the Property (such as a proceeding in bankruptcy, probate, for condemnation or forfeiture or to enforce laws or regulations), then Lender may do and pay for whatever is necessary to protect the value of the Property and Lender's rights in the Property. Lender's actions may include paying any sums secured by a lien which has priority over this Security Instrument, appearing in court, paying reasonable attorneys' fees and entering on the Property to make repairs. Although Lender may take action under this paragraph 7, Lender does not have to do so. Any amounts disbursed by Lender under this paragraph shall become additional debt of Borrower secured by this Security Instrument. Unless Borrower and Lender agree to other terms of payment, these amounts shall bear interest from the date of disbursement at the Note rate and shall be payable, with interest, upon notice from Lender to Borrower requesting payment.

SIGNATURES- TRUSTOR(S)/BORROWER(S)

Signed and sealed by Trustor(s)/Borrower(s):

Signed and delivered in the presence of:

X James L. Barbree
Trustor(s)/Borrower(s)
JAMES L BARBEE

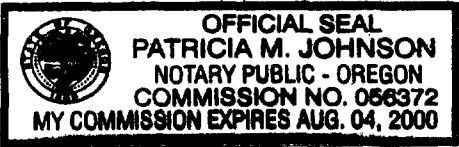
X _____
Witness' Signature

X Penny J Barbree
Trustor(s)/Borrower(s)
PENNY J BARBEE

X _____
Witness' Signature

X _____
Trustor(s)/Borrower(s)

X _____
Trustor(s)/Borrower(s)



NOTARIZATION

On the Trust Deed Date shown above, the named Trustor(s)/Borrower(s) personally appeared before me and acknowledged that the execution of the Trust Deed was his, her, or their free act and deed.

State of OR ss.

County of KLAMATH

My Commission Expires Aug 4, 2000

Date June 12, 2000

Notary Public's

Signature

Notary's Name

X Patricia M. Johnson
Patricia M. Johnson

Klamath COUNTY, OR

DRAFTED BY

ADDRESS 422 Main St.

CITY K. Falls

STATE Oregon

State of Oregon, County of Klamath
Recorded 06/15/00, at 3:16 p. m.
In Vol. M00 Page 21764
Linda Smith,
County Clerk Fee \$ 31⁰⁰