

T R U S T D E E D

STANLEY J. CHRONISTER and LISA A. CHRONISTER
 27100 JELINEK ROAD
 MALIN, OR 97632
 Grantor
 DILLARD CHRONISTER AND LORRAINE CHRONISTER

Beneficiary

After recording return to: ESCROW NO. MT53117-LB
 AMERITITLE
 222 S. 6TH STREET
 KLAMATH FALLS, OR 97601

MTG 93117-LB

TRUST DEED

THIS TRUST DEED, made on 02/08/01, between
 STANLEY J. CHRONISTER and LISA A. CHRONISTER, as tenants by the entirety, as
 Grantor,
 AMERITITLE, an Oregon Corporation, as Trustee, and
 DILLARD CHRONISTER AND LORRAINE CHRONISTER, or the survivor thereof, 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:
 SEE EXHIBIT A WHICH IS MADE A PART HEREOF BY THIS REFERENCE

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 of
****THIRTY TWO 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 December 31 2005.

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 im-
 provement 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
 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 any
 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

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 applied by it first upon any such reasonable costs and expenses and attorney's fees, both in the trial and appellate courts, 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 such actions and execute such instruments as shall be necessary in obtaining such compensation, promptly upon beneficiary's request.

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 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 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 a court, and without regard to 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 rents, issues and profits, including those past due and unpaid, and apply the same, less costs and expenses of operation and collection, including reasonable attorney's fees 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 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/or performance, the beneficiary may declare all sums secured hereby 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 trustee shall execute and cause to be recorded his written notice of default and his election to sell the said described real property to satisfy the obligation secured hereby whereupon the trustee shall fix the time and place of sale, give notice thereof as then required by law and proceed to foreclose this trust deed in the manner 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 privileged by ORS 86.753, may cure the default or defaults. If the default consists of a failure to pay, when due, sums secured by the trust deed, the default may be cured by paying the entire amount due at the time of the cure other than such portion as would not then be due had no default occurred. Any other default that is capable of being cured may be cured by tendering the performance required under the obligation or trust deed. In any case, in addition to curing the default or defaults, the person effecting the cure shall pay to the beneficiary all costs and expenses actually incurred in enforcing the obligation of the trust deed 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 auction to the highest bidder for cash, payable at the time of sale. Trustee 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 fact shall be conclusive proof of the truthfulness thereof. Any person, excluding the trustee, but including the grantor and beneficiary, may purchase at the sale.

15. When trustee sells 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 by trustee's attorney, (2) to the obligation secured by the trust deed, (3) to all persons having recorded liens subsequent to the the interest of the trustee in the trust deed as their interests 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

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 the 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 the trust deed or pursuant to statute, to cancel all evidences of indebtedness secured by the trust deed (which are delivered to you herewith together with the trust deed) and to reconvey, without warranty, to the parties designated by the terms of the trust deed the estate now held by you under the same. Mail reconveyance and documents to:

DATED: _____

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.

Beneficiary

EXHIBIT "A"
LEGAL DESCRIPTION

5606

A parcel of land situated in Section 7, Township 41 South, Range 12 East of the Willamette Meridian, Klamath County, Oregon, more particularly described as follows:

Beginning at a point 145.2 feet due West of the Northwest corner of Government Lot 5 in Section 7, Township 41 South, Range 12 East of the Willamette Meridian, Klamath County, Oregon; thence West to the West line of said Section to a point 40 chains South of the Northwest corner of Government Lot 2 of said Section; thence South along said West line to the Southwest corner of said Section; thence East along the South line of said Section to the Southeast corner of Government Lot 9 of said Section; thence North along the East line of said Government Lot 9 for a distance of 1,020 feet; thence West for a distance of 145.2 feet; thence North for a distance of 300 feet to the place of beginning.

State of Oregon, County of Klamath
Recorded 02/12/01, at 3:14 p. m.
In Vol. M01 Page 5603
Linda Smith,
County Clerk Fee \$ 26.⁰⁰