

# TRUST DEED

91 OCT 4 PM 12:44

Vol M01 Page 50731

State of Oregon, County of Klamath  
Recorded 10/04/01 at 12:44 p.m.  
In Vol. M01 Page 50731  
Linda Smith,  
County Clerk Fee \$ 26.00

Grantors Name & Address	Beneficiary's Name & Address	After recording return to:
DONALD LEARN & KIMBERLY LEARN	DAVID RAGAN & KIMBERLY L. RAGAN	DAVID RAGAN
1315 SW ISHAM ST.	372 S. EAGLE RD. #178	372 S. EAGLE RD. #178
GRANTS PASS, OR. 97526	EAGLE, ID. 83616	EAGLE, ID. 83616

This trust deed, made this 12 day of SEPTEMBER 2001, between  
DONALD LEARN & KIMBERLY LEARN, as Grantor,  
ASPEN TITLE CO., as Trustee, and  
DAVID RAGAN & KIMBERLY L. RAGAN, as Beneficiary,

## WITNESSETH:

Grantor irrevocably grants, warrants, and conveys to trustee in trust, with power of sale, the property in KLAMATH County,  
State of OREGON described as:

LOTS 3 AND 4, BLOCK 14, TRACT NO. 1027, MT. SCOTT MEADOWS

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 and payment of the sum of:

SEVENTEEN THOUSAND DOLLARS ( \$17,000.00 )

Dollars, with interest thereon according the terms of a promissory note and/or agreement payable to beneficiary or assignee and  
made by grantor, the final payment of principal and interest hereof, if not sooner paid, to be due and payable as scheduled in  
agreement/promissory note. Should the grantor either agree to or attempt to sell, convey or assign all or part of the property or all or  
part of the interest therein, without first obtaining 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 the property in good condition and repair: not to remove demolish any building or improvement  
thereon: not to commit or permit any waste of the property.
2. To comply with all laws, ordinances, regulation, covenants, conditions, and restrictions affecting the property.
3. To keep the property free from all liens and to pay all taxes, assessments and other charges that may be levied or assessed upon or  
against the property before any part of such taxes, assessments and other charges become past due or delinquent and promptly  
deliver receipts at beneficiary's request; should the grantor fail to make payment of any taxes, assessments, 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 in the agreement/note secured hereby,  
together with the obligations described herein, shall be added to and become 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 extent that they are bound 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 all sums secured by this trust deed immediately due and payable and constitute a breach of this trust deed.

4. 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.

5. To appear in and defend any action or proceeding purporting to affecting 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 or any suit or action related to this instrument, including but not limited to its validity and/or enforceability, to pay all cost and expenses, including evidence of title and the beneficiary's or trustee's attorney fees; the amount of attorney fees mentioned in this paragraph in all cases shall be fixed by the trial court and in the event of an appeal from any judgment or decree of the trial court, grantor further agrees to pay such sums as the appellate court shall adjudge reasonable as the beneficiary's or trustee's attorney fees on such appeal.

6. In the event that any portion or all of the 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 in excess of the amount required to pay all reasonable cost, expenses and attorney's fees necessary paid or incurred by grantor in such proceeding's shall be paid to beneficiary and applied by it first upon any reasonable costs and expenses and attorney's fees necessarily paid or incurred by grantor in such proceeding, shall be paid to beneficiary and applied by it first upon any 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.

7. 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 the 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.

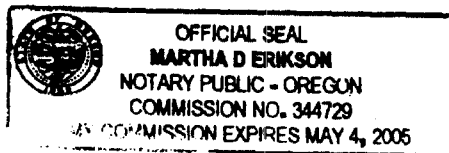
8. The entering upon and taking possession of the property, the collection of such rents, issues and profits, or the proceeds of fire and other insurance policies or compensation or awards for any taking or damage of the property, and the application or release thereof as aforesaid, shall not cure or waive any default or notice of default hereunder or invalidate any act done pursuant to such notice.

9. Upon default by grantor in payment of any indebtedness secured hereby or in grantor's 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 may elect to 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.

10. 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 conferred upon any trustee herein named or appointed hereunder. Each such appointment and substitution shall be made by written 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.

11. 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. The grantor covenants and agrees to and with the beneficiary and the beneficiary's successor in interest that the grantor is lawfully seized in fee simple of the real property and has a valid, unencumbered title thereto, except as may be set forth in an addendum or exhibit attached hereto, and that the grantor will warrant and forever defend the same against all persons whomsoever. In construing this trust deed, it is understood that the grantor, trustee and/or beneficiary may each 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.

Donald Learn  
Kimberly Learn



State of: OREGON, County of JACKSON. This instrument was acknowledged before me

on: SEPT. 12, 2001, By: Martha D. Erikson