

State of Oregon, County of Klamath  
Recorded 08/12/2002 3:17 p m.  
Vol M02, Pg 45225-29  
Linda Smith, County Clerk  
Fee \$ 41.00 # of Pgs 5



MTC 57502-TA

(Reserved for Recording Purposes)

**SHORT FORM  
IMPROVEMENT LOAN TRUST DEED, ASSIGNMENT OF RENTS,  
SECURITY AGREEMENT, AND FIXTURE FILING**

ODVA Account Number	Tax Account Number <b>R606320</b>
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THIS IMPROVEMENT LOAN TRUST DEED, ASSIGNMENT OF RENTS, SECURITY AGREEMENT, AND FIXTURE FILING ("Security Instrument") is made on 07/26/2002.

The grantor is ROBERT LEE HOYLMAN AND CAROLYN K HOYLMAN,  
whose address is 32091 CENTRAL ST BONANZA OR 97623.

("Borrower"). The trustee is CHICAGO TITLE INS ("Trustee").  
The beneficiary is the State of Oregon, acting by and through the Director of Veterans' Affairs, whose address is 700 Summer Street NE, Salem, Oregon 97301-1285 ("Note Holder").

Borrower is indebted to Note Holder in the principal sum of TWELVE THOUSAND ONE HUNDRED TWELVE & 00/100 (U.S. \$ 12,112.00), which indebtedness is evidenced by Borrower's promissory note of same date herewith (as amended, modified, extended or renewed "Note") providing for monthly payments of principal and interest, with the balance of the indebtedness, if not sooner paid, due and payable on 09/01/2012 ("Maturity Date").

As a condition to the making of the loan to Borrower, Note Holder required and Borrower agreed to execute and deliver this Security Instrument.

NOW, THEREFORE, for good and valuable consideration, receipt and sufficiency of which is hereby acknowledged, and for the purpose of securing the Obligations described below, Borrower irrevocably grants, bargains, sells, conveys, assigns, and transfers to Trustee in trust for the benefit and security of Note Holder, with power of sale and right of entry and possession, all of Borrower's right, title and interest in and to the real property ("Property") which has the address of 32091 CENTRAL ST BONANZA 97623, Oregon, and is located in Klamath County, Oregon, and is more particularly described as:

**SEE ATTACHED SCHEDULE A**

<p><b>AFTER RECORDING RETURN TO:</b></p> <p>OREGON DEPARTMENT OF VETERANS' AFFAIRS PROCESSING SECTION 700 SUMMER ST NE SALEM OR 97301-1285</p>	<p>Until a change is requested, all tax statements shall be sent to the following address:</p> <p><u>ROBERT LEE HOYLMAN</u> <u>32091 CENTRAL ST</u> <u>BONANZA OR 97623</u></p>
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TOGETHER WITH all interests, estates, and rights that Borrower now has or may acquire in 1) the Property; 2) any and all options, agreements and contracts for the purchase or sale of all or any part or parts of the Property or interests in the Property; 3) all easements, rights-of-way, and rights used in connection with the Property or as a means of access to the Property; and 4) all tenements, hereditaments, privileges, and appurtenances in any manner belonging, relating, or appertaining to the Property;

TOGETHER WITH all interests, estates, and rights of Borrower, now owned or hereafter acquired, in and to any land lying within any streets, sidewalks, alleys, strips, and gores adjacent to or used in connection therewith;

TOGETHER WITH all interests, estates, rights and titles of Borrower, now owned or hereafter acquired, in and to any and all buildings and other improvements of every nature now or hereafter located on the Property, and all appurtenances and additions to and substitutions and replacements of the Property; and any and all fixtures now or hereafter attached to or installed in the Property, including but not limited to all machinery, equipment, appliances and fixtures for generating and distributing air, water, heat, electricity, light, fuel or refrigeration, or for ventilation, or for sanitary purposes, or for the exclusion of vermin or insects, or for the removal of dust, refuse or garbage; all wallbeds, wallsafes, built-in furniture or installations, shelving, lockers, partitions, door stops, vaults, elevators, dumb-waiters, awnings, window shades, venetian blinds, light fixtures, fire hoses and brackets and boxes for same, fire sprinklers, alarm systems, drapery rods and brackets, screens, linoleum, carpets, plumbing, laundry tubs and trays, ice boxes, refrigerators, heating units, stoves, water heaters, incinerators and communication systems and all appurtenances and additions thereto and substitutions and replacements thereof (all of the foregoing being collectively referred to below as "Improvements");

TOGETHER WITH any and all minerals, as defined in ORS 273.775 (*including but not limited to soil, clay, stone, sand and gravel*), and all geothermal resources, as defined in ORS 522.005, together with the right to make such use of the surface as may be reasonably necessary for exploring for, mining, extracting, storing, drilling for, and removing such minerals, materials and geothermal resources; and any and all air rights, development rights, water, water rights, water stock, and water service contracts, drainage rights, zoning rights timber rights, royalties, and other similar rights or interests that benefit or are appurtenant to the Property or the Improvements or both, and any of their proceeds;

TOGETHER WITH all rights, interests, and claims that Borrower now has or may acquire with respect to any damage to or taking of all or any part of the Property or the Improvements including, without limitation, any and all proceeds of insurance in effect with respect to the Improvements, any and all awards made for taking by eminent domain or by any proceeding or purchase in lieu thereof, of the whole or any part of the Property or of the Improvements; and

TOGETHER WITH any shrubbery, flora or timber now growing or hereafter planted or growing thereon;

All of the above may be referenced herein below as "**Trust Property**".

TO HAVE AND TO HOLD the Trust Property to Trustee and its successors and assigns for the benefit of Note Holder and its successors and assigns, forever.

PROVIDED ALWAYS that if all the Obligations shall be paid, performed, and satisfied in full, then the lien and estate granted by this Trust Deed shall be reconveyed.

To secure the Obligations, Borrower hereby grants to Note Holder a security interest in the following personal property of Borrower which are located on, relate to or arise out of the Property, whether now existing or hereafter arising, and all proceeds and products thereof: all rents, revenues, issues, profits, income, proceeds (*including but not limited to insurance and condemnation proceeds*), benefits, accounts, general intangibles, and equipment (*including but not limited to fixtures*) and all personal property included within the description of the Trust Property. This Security Instrument shall constitute a security agreement and fixture filing under the Uniform Commercial Code of the State of Oregon. The mailing address of Borrower and the address of Note Holder from which information may be obtained are set forth in the introductory paragraph of this Security Instrument. Borrower grants to Note Holder a security interest in any standing timber or timber to be cut located upon the Property, whether now existing or hereafter arising, and any products and proceeds thereof.

This Security Instrument secures the following, collectively referred to as the "**Obligations**":

A. The payment of all indebtedness of Borrower, including but not limited to principal and interest, and the performance of all covenants and obligations of Borrower, under the Note, whether such payment or performance is now due or becomes due in the future;

B. The payment of all indebtedness of Borrower, including future advances, cost and expenses, and the performance of all covenants and obligations of Borrower, under the Security Instrument; and

C. The payment of all indebtedness of Borrower, and the performance of all covenants and obligations of Borrower, arising out of any other outstanding notes and any other security instruments, agreements, and undertakings now existing or hereafter executed by Borrower with or for the benefit of the Note Holder respecting this Trust Property.

ODVA Account Number

This Security Instrument is subject to:

(a) a security instrument in favor of Note Holder dated February 20, 1981, and recorded on February 25, 1981, in Volume M81 Page 3297, for Klamath County, Oregon, which was given to secure the payment of a note dated February 20, 1981, in the amount of \$ 35,631

(b) a security instrument in favor of Note Holder dated \_\_\_\_\_, and recorded on \_\_\_\_\_, in \_\_\_\_\_, for \_\_\_\_\_ County, Oregon, which was given to secure the payment of a note dated \_\_\_\_\_, in the amount of \$ \_\_\_\_\_; and

(c) a security instrument in favor of Note Holder dated \_\_\_\_\_, and recorded on \_\_\_\_\_, in \_\_\_\_\_, for \_\_\_\_\_ County, Oregon, which was given to secure the payment of a note dated \_\_\_\_\_, in the amount of \$ \_\_\_\_\_

Borrower hereby expressly adopts and incorporates by reference into this Security Instrument, and hereby agrees to be bound by the covenants and agreements contained in, the MASTER FORM IMPROVEMENT LOAN TRUST DEED, ASSIGNMENT OF RENTS, SECURITY AGREEMENT, AND FIXTURE FILING recorded in the county, on the date and in the volume and at the page listed below:

County	Date of Record	Volume/Page/Reel/Frame/Fee Number
Klamath	April 30, 2001	Volume M01 Page 19030

Borrower agrees that all references to Borrower, Note Holder, Maturity Date, Property, Improvements, and Trust Property contained in the above referenced MASTER FORM IMPROVEMENT LOAN TRUST DEED, ASSIGNMENT OF RENTS, SECURITY AGREEMENT, AND FIXTURE FILING shall be construed to mean Borrower, Note Holder, Maturity Date, Property, Improvements, and Trust Property as defined herein. Borrower acknowledges receipt of a copy of the complete text of the MASTER FORM IMPROVEMENT LOAN TRUST DEED, ASSIGNMENT OF RENTS, SECURITY AGREEMENT, AND FIXTURE FILING which contains the provisions hereby incorporated by reference into this Security Instrument.

**NOTICE TO BORROWER:** This document may substantially modify what you may do with the property offered for security under your original note and security Instrument on loan number(s) P52049/0008520496.

**ORS 93.040 Warning.** THIS INSTRUMENT WILL NOT ALLOW USE OF THE PROPERTY DESCRIBED IN THIS INSTRUMENT IN VIOLATION OF APPLICABLE LAND USE LAWS AND REGULATIONS. BEFORE SIGNING OR ACCEPTING THIS INSTRUMENT, THE PERSON ACQUIRING FEE TITLE TO THE PROPERTY SHOULD CHECK WITH THE APPROPRIATE CITY OR COUNTY PLANNING DEPARTMENT TO VERIFY APPROVED USES AND TO DETERMINE ANY LIMITS ON LAWSUITS AGAINST FARMING OR FOREST PRACTICES AS DEFINED IN ORS 30.930.

Under Oregon law, most agreements, promises and commitments made by Note Holder after October 3, 1989, concerning loans and other credit extensions which are not for personal, family or household purposes or secured solely by the Borrower's residence must be in writing, express consideration and be signed by Note Holder to be enforceable.

Borrower hereby acknowledges receipt of a conformed copy of the Note and of this Security Instrument.

**Do NOT sign this Security Instrument unless you have read and understand it.**

IN WITNESS WHEREOF, Borrower accepts and agrees to the terms and covenants contained in this Security Instrument and in any rider(s) executed by Borrower and recorded with it.

(Initial this box that you have read and understand the NOTICE TO BORROWER above)

RLH

CRH

Robert Lee Hoylman

Robert Lee Hoylman

Carolyn R. Hoylman

Carolyn R. Hoylman

(Signature of Borrower)

(Signature of Co-Borrower)

Initials RLH CRH

## ACKNOWLEDGMENT

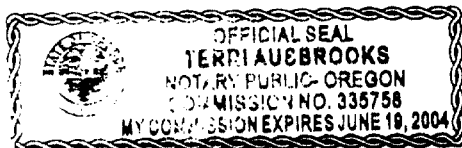
STATE OF OREGON

County of Klamath

) ss.

On 7-31-02

personally appeared the above named

Robert Lee Hoylman and CarolynR. Hoylmanand acknowledged the foregoing instrument to be their voluntary act and deed.Before me: TERRI AUSBROOKS[Signature]

(Notary Public for Oregon)

My commission expires: 6-19-04

STATE OF OREGON

County of \_\_\_\_\_

) ss.

On \_\_\_\_\_

personally appeared the above named \_\_\_\_\_

and acknowledged the foregoing instrument to be \_\_\_\_\_ voluntary act and deed.

Before me:

(Notary Public for Oregon)

My commission expires: \_\_\_\_\_

Name of Borrower(s)	ODVA Account Number
ROBERT LEE HOYLMAN AND CAROLYN K HOYLMAN	

**45229**

## **SCHEDULE A — LEGAL DESCRIPTION**

Lot 6 in Block 18, FIRST ADDITION to the Town of Bonanza, according to the official plat thereof on file in the office of the County Clerk of Klamath County, Oregon.