NO PART OF ANY ETEVEND NEED FORM MAY DE REPRODUCED IN ANY FORM OR BY ANY ELECTRONIC OR MECHANICAL MEANS



TRUST DEED

Anthony S. Agueda III 2434 Perabing Way Klamath Falls, OR 97603 William G. Knudtsen P.Q. Box 307 Beatty OR 97621
Beneficiary's Name and Address cording, return to (Name, Address, Zip): Michael P. Rudd Brandsness Rudd & Bunch P.C. 411 Pine Street Klamath Falls. QR 97601

M05-67175

Klamath County, Oregon 10/21/2005 03:44:15 PM Pages 2 Fee: \$46.00

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THIS TRUST DEED, made on _____October 5, 2005 _ botween Anthony S. Agueda III Michael P. Rudd _, as Trustee, and William C. Knudtsen ns 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:

> Lot 8 in Block 1 Tract No. 1251 Olene Hills, according to the official plat thereof on file in the office of the County Clerk of Klamath County, Oregon.

together with all and singular the tenements, hereditaments and appurtenances and all other rights thereunto belonging or in any way now or hereafter appertaining, and the rents, issues and profits thereof, and all fixtures now or hereafter attached to or used in con-

nection with the property.
FOR THE PURPOSE OF SECURING PERFORMANCE of each agreement of grunter herein contained and payment of the sum of _______
Three Hundred and Fifty Thousand an no/100 (\$350,000.00)

NOTE: The Truet Deed Act provides that the trustee hereunder must be either an attorney who is an active member of the Oregon State Ber, a bank, trust company or savings and loan association authorized to insure title to rest properly of this state, its subsidiaries, affiliates, agents or branches, the United States or any agency thereof, or an eacrow agent thensed under ORS 896-505 to 696-505. itales, agents or branches, the United Sistes or any agency thereof, or an earnow agent licensed under ORS 696.606 to ARMINO: 12 USC 1701-3 regulates and may prohibit exercise of this option.
The publisher suggests that such an agreement address the issue of obtaining beneficiary's gonsent in complete detail.





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 gancellation), 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 the property; (b) join in agranting any ensament or creating any restriction thereon, (c) join in any subordination or other agreement affecting this deed or the lieu or charge thereof; or (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 fines shall be conclusive proof of the multifuless thereof. Trustee liees for any of the services monitoned in this paragraph shall be not less than 55.

10. Upon any default by granter 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 anguid, and apply the same, less costs and expenses of operation and collection, including reasonable attorning 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 weive any default or motice of default hereunder, or invalidate any set done pursuant to such notice.

12. Upon default by granter in payment of any indebtedness secured hereby or in grantor's performance of any agreement hereunder, time being of the escence with respect to such payment and/or performance, the beneficiary may d

ment and sale, the heneficiary or the trustee shall execute and cause to be recorded a written notice of default and election to sell the 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 are any other person so privileged by ORS 86.753 may cure the default, and 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 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 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 default trustee and automory fees not exceeding the amounts provided by law.

14. Otherwise, the sale shall be held on the date and at the time tall place designated in the notice of sale or the time to which the sale may be postponed as provided by law. The trustee may sell the property either in one parcel or in separate purcels and shall sell the purcel or purcels at anterior to the highest bridger for warranty, express or implied. The recitals in the deed of any uniters of fact shall be conclusive proof of t

The grantor covenants to and agrees with the beneficiary and the beneficiary's successors 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 any addendum or exhibit attached hereto, and that the grantor will warrant and forever defend the same against all persons whomsoever.

WARNING: Unless grantor provides beneficiary with evidence of insurance coverage as required by the contract or loan agreement between them, beneficiary may purchase insurance at grantor's expense to protect beneficiary's interest. This insurance may, but need not, also protect grantor's interest. If the collateral becomes damaged, the coverage purchased by beneficiary may not pay any claim made by or against grantor. Grantor may later cancel the coverage by providing evidence that grantor has obtained property coverage elsewhere. Grantor is responsible for the cost of any insurance coverage purchased by beneficiary, which cost may be added to grantor's contract or loan balance. If it is so added, the interest rate on the underlying contract or loan will apply to it. The effective date of coverage may be the date gruntor's prior coverage lapsed or the date gruntor failed to provide proof of coverage, The coverage beneficiary purchases may be considerably more expensive than insurance granter might otherwise obtain alone and may not satisfy any need for property damage coverage or any mandatory liability insurance requirements imposed by applicable law.

The granter warrants that the proceeds of the loan represented by the above described note and this must deed are (choose one):*

(a) primarity for granter's personal, family or household purposes (see Important Notice below).

(b) for an organization, or (even if granter is a natural person) are for business or commercial purposes.

This deed applies to, inutes to the henefit of, and binds all parties hereto, their heirs, legatees, devisces, administrators, executors, personal representatives, sorrs 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.

In construing this trust deed, it is understood that the grantor, trustee and/or beneficiary may each be more than one parson; that if the context so requires, the angular shall be taken to mean and include the plurat, and that generally all grammatical changes shall be made, assumed and implied to make the provisions hereapply equally to corporations and to individuals.

IN WITNESS WHEREOF, the grantor has executed this instrument the day and year first written above.

important notice: Delete, by lining out, whichever warranty (a) or b) is inapplicable. If warranty (a) is applicable and the beneficiary is creditor as such word is defined in the Truth-in-Lending Act and Regulation 2, the beneficiary MUST comply with the Act and Regulation by making required disclosures. If compliance with the Act is not required, disregard this notice.	Anthony S. Aqueda III
STATE OF OREGON, County of This instrument was acknowledg by	ed before me on Hathony S. Hqueda LLL,
,	ed before me on,
OFFICIAL SEAL J. JONES NOTARY PUBLIC-OREGON COMMISSION NO. 376370 MY COMMISSION EXPIRES MAR. 05, 2008	Vointy Public for Oregon My commission expires 03.05.08

REQUEST FOR FULL RECONVEYANCE (To be used only when obligations have been paid.) To: Michael P. Rudd. 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 parsiant 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 trust deed, the estate now hold by you under the same. Mail the reconveyance and documents to	
DATED	1
Do not lose or destroy this Trust Deed OR THE NOTE which it secures. Both should be delivered to the trustee for cancellation before reconveyance is made.	Heneficiary