

**M05-69255**

Klamath County, Oregon

11/17/2005 08:52:04 AM

Pages 8 Fee: \$61.00

When recorded mail to:

LSI - North Recording Division

5029 Dudley Blvd

McClellan, CA 95652

(800) 964-3524 1731238

Tax Account Number: 571679

Loan #: 601-0001737934

**★ LINE OF CREDIT TRUST DEED AND REQUEST FOR NOTICE OF DEFAULT ★**

MIN 100135300017379348

THIS LINE OF CREDIT TRUST DEED is made on October 7, 2005

The grantor is KEVIN BROWN AND CASINDRA BROWN, AS TENANTS BY THE ENTIRETY

Transnation Title Insurance Company

Mortgage Electronic Registration Systems, Inc., a corporation organized and existing under the laws of Delaware, with an address and telephone number of P.O. Box 2026, Flint, MI 48501-2026, tel. (888) 679-MERS (herein "MERS") and the successors and assigns of MERS. MERS is a separate corporation that is acting solely as a nominee for IRWIN UNION BANK AND TRUST COMPANY, which is organized and existing under the laws of Indiana, with an address of 1717 East College Parkway, Carson City, NV 89706 ("Lender") and Lender's successors and assigns.

BORROWER has entered into a Home Equity Line Agreement and Disclosure Statement with Lender dated the same date as this Line of Credit Trust Deed (herein the "Home Equity Line Agreement") pursuant to which Borrower is entitled to obtain credit advances from Lender from time to time in amounts not to exceed at any one time, in the aggregate, the principal sum of Fifty Seven Thousand and No/100

Dollars(\$ 57,000.00 ).

The debt evidenced by the Home Equity Line Agreement, including all credit advances obtained by Borrower from Lender up to the principal sum shown above (the "Credit Line Limitation"), together with interest, fees, and charges in accordance with the tenor of the Home Equity Line Agreement, is payable in installments with the entire balance, if not sooner paid, due and payable in full on October 15, 2025 . The unpaid balance of the Home Equity Line Agreement may at certain times be

lower than the amount shown or zero. A zero balance does not terminate the Borrower's line of credit or this Trust Deed, and therefore, the lien of this Trust Deed will remain in full force and effect notwithstanding any zero balance. This Line of Credit Trust Deed (herein "Trust Deed") secures to Lender; (a) the repayment of the debt evidenced by the Home Equity Line Agreement, including any and all future advances made by Lender to Borrower not in excess of the Credit Line Limitation shown above, with interest, fees and charges as provided in the Home Equity Line Agreement, and all renewals, extensions and modifications of the Home Equity Line Agreement; (b) the payment of all other sums, with interest, advanced by Lender under the provisions of this Trust Deed to protect the security of this Trust Deed, and expense incurred by Lender by reason of Borrower's default under this Trust Deed; and (c) the performance of Borrower's covenants and agreements under this Trust Deed and the Home Equity Line Agreement. For this purpose, Borrower, in consideration of the debt and the trust herein created, irrevocably grants and conveys to Trustee, in trust, with power of sale, the following described property located in Klamath County, State of Oregon:

LEGAL DESCRIPTION ATTACHED HERETO AND MADE A PART HEREOF.

(continued)

**OREGON - CREDIT LINE TRUST DEED**

BI160001 (rev. 04/28/04) OR HELOC

Page 1 of 7

56  
75

which has the address of 4625 HOPE STREET

601-0001737934

[Street]

Klamath Falls

[City]

Oregon

97603

[Zip Code]

(herein "Property Address");

TOGETHER WITH all buildings, fixtures and improvements now or hereafter erected on the property, all water, irrigation, drainage, reservoir or ditch rights, however evidenced, and all rights of way, easements, rents, issues, profits, royalties, minerals, oil and gas rights and profits, tenements, hereditaments, privileges, and appurtenances connected therewith, now or hereafter used or enjoyed with the property or any part thereof. All replacements and additions also shall be covered by this Trust Deed. All of the foregoing is referred to in this Trust Deed as the "Property."

BORROWER understands and agrees that MERS holds only legal title to the interests granted by Borrower under this Deed of Trust, but if necessary to comply with law or custom, MERS (as nominee for Lender and Lender's successors and assigns) has the right to exercise any or all of these interests, including, but not limited to, the right to foreclose and sell the Property; and to take any action required of Lender, including, but not limited to, releasing and canceling this Deed of Trust.

BORROWER covenants that Borrower is lawfully seized of the estate hereby conveyed and has the right to grant, bargain, sell and convey the Property. Borrower warrants that the Property is free and clear of all liens, claims and encumbrances, except for covenants, easements, reservations, restrictions and rights of way of record, and encumbrances specifically disclosed by Borrower to Lender and approved by Lender in writing. Borrower warrants and will defend generally the title to the Property against all claims and demands, subject only to the foregoing enumerated restrictions and encumbrances.

UNIFORM COVENANTS. Borrower and Lender covenant and agree as follows:

**1. Payment of Principal, Interest and Other Charges.** Borrower shall promptly pay when due the principal of and interest on the debt evidenced by the Home Equity Line Agreement and any account closure fees, late charges and other fees or charges as provided in the Home Equity Line Agreement.

**2. Funds for Taxes and Insurance.** Subject to applicable law Lender may require Borrower to pay Lender on the day monthly payments are due under the Home Equity Line Agreement, until the Home Equity Line Agreement is paid in full, a sum ("Funds") for: (a) yearly taxes and assessments which may attain priority over this Trust Deed as a lien on the Property; (b) yearly leasehold payments or ground rents on the Property, if any; (c) yearly hazard or property insurance premiums; (d) yearly flood insurance premiums, if any; (e) yearly mortgage insurance premiums, if any. These items are called "Escrow Items." Lender may, at any time, collect and hold Funds in an amount not to exceed the maximum amount a lender for a federally related mortgage loan may require for Borrower's escrow account under the federal Real Estate Settlement Procedures Act of 1974 as amended from time to time, 12 U.S.C. Section 2601 *et seq.* ("RESPA"), unless another law that applies to the Funds sets a lesser amount. If so, Lender may, at any time, collect and hold Funds in an amount not to exceed the lesser amount. Lender may estimate the amount of Funds due on the basis of current data and reasonable estimates of expenditures of future Escrow Items or otherwise in accordance with applicable law. Should Lender require Borrower to make such payments to Lender, Borrower will be provided with 30 days advance notice of such action. Borrower shall not be obligated to make such payments of Funds to Lender to the extent that Borrower makes such payments to the holder of a prior Mortgage or Deed of Trust if such holder is an institutional lender.

The Funds shall be held in an institution whose deposits are insured by a federal agency, instrumentality, or entity (including Lender, if Lender is such an institution) or in any Federal Home Loan Bank. Lender shall apply the Funds to pay the Escrow Items. Lender may not charge Borrower for holding and applying the Funds, annually analyzing the escrow account, or verifying the Escrow Items, unless Lender pays Borrower interest on the Funds and applicable law permits Lender to make such a charge. However, Lender may require Borrower to pay a one-time charge for an independent real estate tax reporting service used by Lender in connection with this loan, unless applicable law provides otherwise. Unless an agreement is made or applicable law requires interest to be paid, Lender shall not be required to pay Borrower any interest or earnings on the Funds. Borrower and Lender may agree in writing, however, that interest shall be paid on the Funds. Lender shall give to Borrower, without charge, an annual accounting of the Funds, showing credits and debits to the Funds and the purpose for which each debit to the Funds was made. The Funds are pledged as additional security for all sums secured by this Trust Deed.

If the Funds held by Lender exceed the amounts permitted to be held by applicable law, Lender shall account to Borrower for the excess Funds in accordance with the requirements of applicable law. If the amount of the Funds held by Lender at any time is not sufficient to pay the Escrow Items when due, Lender may so notify Borrower in writing, and, in such case Borrower shall pay to Lender the amount necessary to make up the deficiency. Borrower shall make up the deficiency in no more than twelve monthly payment, at Lender's sole discretion.

Upon payment in full of all sums secured by this Trust Deed, Lender shall promptly refund to Borrower any Funds held by Lender. If, under paragraph 19, Lender shall acquire or sell the Property, Lender, prior to the acquisition or sale of the Property, shall apply any Funds held by Lender at the time of acquisition or sale as a credit against the sums secured by this Trust Deed.

**3. Application of Payments.** Unless applicable law provides otherwise, all payments received by Lender shall be applied by Lender in the following order:

During the Draw Period; first, to any account closure fee due under the Home Equity Line Agreement; second, in payment of amounts payable as interest due on the outstanding indebtedness under the Home Equity Line Agreement; third, to any amounts payable to Lender for taxes and insurance under paragraph 2 hereof (to extent Lender requires Borrower to make such payments); fourth, to any late fees due under the Home Equity Line Agreement; fifth, to any account fees due under the Home Equity Line Agreement; sixth, to funds advanced by Lender under the Home Equity Line Agreement and/or under the Trust Deed to protect its security interest; and last, to the remaining Account balance.

During the Repayment Period; first, to any account closure fees due under the Home Equity Line Agreement; second, in payment of amounts payable as interest due on the outstanding indebtedness under the Home Equity Line Agreement; third, to the principal portion of the Borrower's minimum monthly payment; fourth, to any amounts payable to Lender for taxes and insurance under paragraph 2 hereof (to extent Lender requires Borrower to make such payments); fifth, to any late fees due under the Home Equity Line Agreement; sixth, to any account fees due under the Home Equity Line Agreement; seventh, to funds advanced by Lender under the Home Equity Line Agreement and/or under the Trust Deed to protect its security interest; and last, to the remaining principal balance.

**4. Prior Trust Deeds; Charges; Liens.** Borrower shall perform all of Borrower's obligations under any mortgage, deed of trust or other security agreement with a lien which has priority over this Trust Deed, including Borrower's covenants to make payments when due. Borrower shall pay or cause to be paid all taxes, assessments and other charges, fines and impositions attributable to the Property which may attain priority over this Trust Deed, and leasehold payments or ground rents, if any.

**5. Hazard Insurance.** Borrower shall keep the improvements now existing or hereafter erected on the Property insured against loss by fire, hazards included within the term "extended coverage" and any other hazards, including floods or flooding, for which Lender requires insurance, and in such amounts and for such periods as Lender may require.

The insurance carrier providing the insurance shall be chosen by Borrower subject to approval by Lender; provided that such approval shall not be unreasonably withheld. If Borrower fails to maintain coverage described above, Lender may, at its option, obtain coverage to protect Lender's rights in the property. All insurance policies and renewals thereof shall be in a form acceptable to Lender and shall include a standard lienholder clause in favor of and in the form acceptable to Lender. Lender shall have the right to hold the policies and renewals thereof, subject to the terms of any mortgage, Trust Deed or other security agreement with a lien which has priority over this Trust Deed.

In the event of loss, Borrower shall give prompt notice to the insurance carrier and Lender. Lender may make proof of loss if not made promptly by Borrower.

If Property is abandoned by Borrower, or if Borrower fails to respond to Lender within 30 days from the date notice is mailed by Lender to Borrower that the insurance carrier offers to settle a claim for insurance benefits, Lender is authorized to collect and apply the insurance proceeds at Lender's option either to restoration or repair of the Property or to the sums secured by this Trust Deed.

#### WARNING

Unless you (the Borrower) provide us (the Lender) with evidence of the insurance coverage as required in your Home Equity Line Agreement and this Trust Deed, we may purchase insurance at your expense to protect our interest. This insurance may, but need not, also protect your interest. If the Property (as defined in this Trust Deed) becomes damaged, the coverage we purchase may not pay any claim you make or any claim made against you. You may later cancel this coverage by providing evidence that you have obtained property coverage elsewhere.

You are responsible for the cost of any insurance purchased by us. The cost of this insurance may be added to the Home Equity Line Agreement balance. If the cost is added to the Home Equity Line Agreement balance, the interest rate on the Home Equity Line Agreement will apply to this added amount. The effective date of coverage may be the date your prior coverage lapsed or the date you failed to provide proof of coverage.

The coverage we purchase may be considerably more expensive than insurance you can obtain on your own and may not satisfy any need for property damage coverage or any mandatory liability insurance requirements imposed by applicable law.

**6. Preservation and Maintenance of Property; Leaseholds; Condominiums; Planned Unit Developments.** Borrower shall keep the Property in good repair and shall not commit waste or permit impairment or deterioration of the Property and shall comply with the provisions of any lease if this Trust Deed is on leasehold. If this Trust Deed is on a unit in a condominium or a planned unit development, Borrower shall perform all of Borrower's obligations under the declaration or covenants creating or

governing the condominium or planned unit development, the by-laws and regulations of the condominium or planned unit development, and constituent documents.

**7. Protection of Lender's Security.** If Borrower fails to perform the covenants and agreements contained in this Trust Deed, or if any action or proceeding is commenced which materially affects Lender's interest in the Property, then Lender, at Lender's option, upon notice to Borrower, may make such appearances, disburse such sums, including reasonable attorneys' fees, and take such action as is necessary to protect Lender's interest. If Lender required mortgage insurance as a condition of making the loan secured by this Trust Deed, Borrower shall pay the premiums required to maintain such insurance in effect until such time as the requirement for such insurance terminates in accordance with Borrower's and Lender's written agreement or applicable law.

Any amounts disbursed by Lender pursuant to this paragraph 7, with interest thereon, at the rate provided in the Home Equity Line Agreement, shall become additional indebtedness to Borrower secured by this Trust Deed. Unless Borrower and Lender agree to other terms of payment, such amounts shall be payable upon the earlier of payment in full of the indebtedness secured by this Deed of Trust, or notice from Lender to Borrower requesting payment thereof. Nothing contained in this paragraph 7 shall require Lender to incur any expense or take any action hereunder.

**8. Inspection.** Lender may make or cause to be made reasonable entries upon and inspections of the Property, provided the Lender shall give Borrower notice prior to any such inspection specifying reasonable cause therefore related to Lender's interest in the Property.

**9. Condemnation.** The proceeds of any award or claim for damages, direct or consequential, in connection with any condemnation or other taking of the Property, or part thereof, or for conveyance in lieu of condemnation, are hereby assigned and shall be paid to Lender, subject to the terms of any mortgage, deed of trust or other security agreement with a lien which has priority over this Trust Deed.

**10. Borrower Not Released; Forbearance By Lender Not a Waiver.** Extensions of the time for payment or modifications of amortization of the sums secured by this Trust Deed granted by Lender to any successor in interest of Borrower shall not operate to release, in any manner, the liability of the original Borrower and Borrower's successors in interest. Lender shall not be required to commence proceedings against such successor or refuse to extend time for payment or otherwise modify amortization of the sums secured by this Trust Deed by reason of any demand made by the original Borrower and Borrower's successors in interest. Any forbearance by Lender in exercising any right or remedy hereunder, or otherwise afforded by applicable law, shall not be a waiver of or preclude the exercise of any such right or remedy.

**11. Successors and Assigns Bound; Joint and Several Liability; Co-signers.** The covenants and agreements herein contained shall bind, and the rights hereunder shall inure to, the respective successors and assigns of Lender and Borrower, subject to the provisions of paragraph 16 hereof. All covenants and agreements of Borrower shall be joint and several. Anyone executing this Trust Deed, in any capacity, shall be entitled to request and obtain information relative to the debt secured hereby including, but not limited to, account history and balance information. Any Borrower who co-signs this Trust Deed, but does not execute the Home Equity Line Agreement, (a) is co-signing this Trust Deed only to grant and convey that Borrower's interest in the Property to Trustee under the terms of this Trust Deed, (b) is not personally liable for the payment of the sums secured by this Trust Deed and (c) agrees that Lender and any other Borrower hereunder may agree from time to time, and any number of times, to extend, modify, forbear, or make any other accommodations with regard to the terms of this Trust Deed or the Home Equity Line Agreement, without that Borrower's consent and without releasing that Borrower or modifying this Trust Deed as to that Borrower's interest in the Property.

**12. Notices.** Except for any notice required under applicable law to be given in another manner, (a) any notice to Borrower provided for in this Trust Deed shall be given by delivering it or by mailing such notice by first class mail addressed to Borrower at the Property Address or at such other address as Borrower may designate by notice to Lender as provided herein, and (b) any notice to Lender shall be given by first class mail to Lender's address stated herein or to such other address as Lender may designate by notice to Borrower as provided herein. Any notice provided for in this Trust Deed shall be deemed to have been given to Borrower or Lender when given in the manner designated herein.

**13. Governing Law; Severability.** The state and local laws applicable to this Trust Deed shall be the laws of the jurisdiction in which the Property is located. The foregoing sentence shall not limit the applicability of federal law to this Trust Deed. In the event that any provision or clause of this Trust Deed or the Home Equity Line Agreement conflicts with applicable law, such conflict shall not affect other provisions of this Trust Deed or the Home Equity Line Agreement which can be given effect without the conflicting provision, and to this end the provisions of this Trust Deed and the Home Equity Line Agreement are declared to be severable. As used herein, "costs", "expenses" and "attorneys' fees" include all sums to the extent not prohibited by applicable law or limited herein.

**14. Borrower's Copy.** Borrower shall be furnished a conformed copy of the Home Equity Line Agreement and of this Trust Deed at the time of execution or after recordation hereof.

**15. Rehabilitation Loan Agreement.** Borrower shall fulfill all of Borrower's obligations under any home rehabilitation, improvement, repair, or other loan agreement which Borrower enters into with Lender. Lender, at Lender's option, may require

Borrower to execute and deliver to Lender, in a form acceptable to Lender, an assignment of any rights, claims or defenses which Borrower may have against parties who supply labor, materials or services in connection with improvements made to the Property.

**16. Transfer of the Property or a Beneficial Interest in Borrower.** If all or any part of the Property or any interest in it is sold or transferred (or if a beneficial interest in Borrower is sold or transferred and Borrower is not a natural person) without Lender's prior written consent, Lender may, at its option, require immediate payment in full of all sums secured by this Trust Deed. However, this option shall not be exercised by Lender if exercise is prohibited by federal law as of the date of this Trust Deed. In no event will any person other than Borrower be entitled to obtain advances from Lender under the terms of the Home Equity Line Agreement secured by this Trust Deed.

If Lender exercises this option, Lender shall give Borrower notice of acceleration. The notice shall provide a period of not less than 30 days from the date the notice is delivered or mailed within which Borrower must pay all sums secured by this Trust Deed. If Borrower fails to pay these sums prior to the expiration of this period, Lender may invoke any remedies permitted by this Trust Deed without notice or demand on Borrower.

**17. Sale and Change of Loan Servicer.** The Home Equity Line Agreement or a partial interest in the Home Equity Line Agreement (together with this Trust Deed) may be sold one or more times without prior notice to Borrower. A sale may result in a change in the entity (known as the "Loan Servicer") that collects payments due under the Home Equity Line Agreement and this Trust Deed. There also may be one or more changes of the Loan Servicer unrelated to a sale of the Home Equity Line Agreement. If there is a change of the Loan Servicer, Borrower will be given written notice of the change if required by applicable law.

**18. Hazardous Substances.** Borrower shall not cause or permit the presence, use, disposal, storage, or release of any Hazardous Substances on or in the Property. Borrower, shall not do, nor allow anyone else to do, anything affecting the Property that is in violation of any Environmental Law. The preceding two sentences shall not apply to the presence, use, or storage on the Property of small quantities of Hazardous Substances that are generally recognized to be appropriate to normal residential uses and to maintenance of the Property.

Borrower shall promptly give Lender written notice of any investigation, claim, demand, lawsuit or other action by any governmental or regulatory agency or private party involving the Property and any Hazardous Substance or Environmental Law of which Borrower has actual knowledge. If Borrower learns, or is notified by any governmental or regulatory authority, that any removal or other remediation of any Hazardous Substances affecting the property is necessary, Borrower shall promptly take all necessary remedial actions in accordance with Environmental Law.

As used in this paragraph 18, "Hazardous Substances" are those substances defined as toxic or hazardous substances by Environmental Law and the following substances: gasoline, kerosene, other flammable or toxic petroleum products, toxic pesticides and herbicides, volatile solvents, materials containing asbestos or formaldehyde, and radioactive materials. As used in this paragraph 18, "Environmental Law" means federal laws and laws of the jurisdiction where the Property is located that relate to health, safety or environmental protection.

NON-UNIFORM COVENANTS. Borrower and Lender further covenant and agree as follows:

**19. Acceleration; Remedies.** Lender shall give notice to Borrower prior to acceleration following Borrower's breach of any covenant or agreement in this Trust Deed (but not prior to acceleration under paragraph 16 unless applicable law provides otherwise.) The notice shall specify (a) the default; (b) the action required to cure the default; (c) a date, not less than 30 days from the date the notice is given to Borrower, by which the default must be cured; and (d) that failure to cure the default on or before the date specified in the notice may result in acceleration of sums secured by this Trust Deed and sale of the Property. The notice shall further inform Borrower of the right to reinstate after acceleration and the right to bring a court action to assert the non-existence of a default or any other defense of Borrower to acceleration and sale. If the default is not cured on or before the date specified in the notice, Lender at its option, and unless applicable law provides otherwise, may require immediate payment in full of all sums secured by this Trust Deed without further demand and may invoke the power of sale and any other remedies permitted by applicable law. Lender shall be entitled to collect all expenses incurred in pursuing the remedies provided in this paragraph 19, including, but not limited to, reasonable attorneys' fees and costs of title evidence.

If Lender invokes the power of sale, Lender shall execute or cause Trustee to execute a written notice of the occurrence of an event of default and of Lender's election to cause the Property to be sold and shall cause such notice to be recorded in each county in which any part of the Property is located. Lender or Trustee shall give notice of sale in the manner prescribed by applicable law to Borrower and to other persons prescribed by applicable law. After the time required by applicable law, Trustee, without demand on Borrower, shall sell the Property at public auction to the highest bidder at the time and place and under the terms designated in the notice of sale in one or more parcels and in any order Trustee determines. Trustee may postpone sale of all or any parcel of the Property by public announcement at the time and place of any previously scheduled sale. Lender or its designee may purchase Property at any sale.

Trustee shall deliver to the purchaser Trustee's deed conveying the property without any covenant or warranty, expressed or implied. The recitals in the Trustee's deed shall be prima facie evidence of the truth of the statements made therein. Trustee shall apply the proceeds of the sale in the following order: (a) to all expenses of the sale, including, but not

limited to, reasonable Trustee's and attorneys' fees; (b) to all sums secured by this Trust Deed; and (c) any excess to the person or persons legally entitled to it.

**20. Borrower's Right to Reinstate.** Notwithstanding Lender's acceleration of the sums secured by this Trust Deed due to Borrower's breach, Borrower shall have the right to have any proceedings begun by Lender to enforce this Trust Deed discontinued at any time prior the earlier to occur of (i) the fifth day before the sale of the Property pursuant to the power of sale contained in this Trust Deed or (ii) entry of a judgment enforcing this Trust Deed if: (a) Borrower pays Lender all sums which would be then due under this Trust Deed and the Home Equity Line Agreement had no acceleration occurred; (b) Borrower cures all breaches of any other covenants or agreements of Borrower contained in this Trust Deed; (c) Borrower pays all reasonable expenses incurred by Lender and Trustee in enforcing the covenants and agreements of Borrower contained in this Trust Deed, and in enforcing Lender's and Trustee's remedies as provided in paragraph 18 hereof, including, but not limited to, reasonable attorneys' fees and Trustee's expenses and withdrawal fee; and (d) Borrower takes such action as Lender may reasonably require to assure that the lien of this Trust Deed, Lender's interest in the Property and Borrower's obligation to pay the sums secured by this Trust Deed shall continue unimpaired. Upon such payment and cure by Borrower, this Trust Deed and the obligations secured hereby shall remain in full force and effect as if no acceleration had occurred. This right to reinstate shall not apply in the case of acceleration by Lender under paragraph 15 of this Trust Deed and the right to further advances shall be governed by the Home Equity Line Agreement.

**21. Assignment of Rents; Appointment of Receiver; Lender in Possession.** As additional security hereunder, Borrower hereby assigns to Lender the rents of the Property, provided that Borrower shall, prior to acceleration under paragraph 18 hereof or abandonment of the Property, have the right to collect and retain such rents as they become due and payable.

Upon acceleration under paragraph 18 hereof or abandonment of the Property, Lender, in person, by agent or by judicially appointed receiver shall be entitled to enter upon, take possession of and manage the Property and to collect the rents of the Property including those past due. All rents collected by Lender or the receiver shall be applied first to payment of the costs of management of the Property and collection of rents, including, but not limited to receiver's fees, premiums on receiver's bonds and reasonable attorneys' fees, and then to the sums secured by this Trust Deed. Lender and the receiver shall be liable to account only for those rents actually received.

**22. Release.** Upon termination of the credit line under the Home Equity Line Agreement and payment of all sums secured by this Trust Deed, Lender shall request Trustee to release this Trust Deed and shall produce for Trustee duly cancelled all notes and other instruments evidencing indebtedness secured by this Trust Deed. Trustee shall release this Trust Deed without further inquiry or liability. Borrower shall pay all costs of recordation, if any, and shall pay the reasonable Trustee's fees.

**23. Waiver of Homestead.** Borrower hereby waives all right of homestead exemption in the Property.

**24. Substitute Trustee.** Lender may from time to time remove Trustee and appoint a successor trustee to any Trustee appointed hereunder. Without conveyance of the Property, the successor trustee shall succeed to all the title, power and duties conferred upon Trustee herein and by applicable law.

**25. Attorneys' Fees.** As used in this Trust Deed and in the Home Equity Line Agreement, "attorneys' fees" shall include any attorneys' fees awarded by an appellate court or incurred in any bankruptcy proceeding.

**26. Late Charges.** If payment is not made within 10 days of its due date under the terms of the Home Equity Line Agreement, the Borrower will be charged five (5%) percent of the payment amount, or \$ 29.00 minimum.

**27. Riders to this Trust Deed.** If one or more riders are executed by Borrower and recorded together with this Trust Deed, the covenants and agreements of each such rider shall be incorporated into and shall amend and supplement the covenants and agreements of this Trust Deed as if the rider(s) were a part of this Trust Deed.

[Check applicable box(es)]

- |                                            |                                                         |                                           |
|--------------------------------------------|---------------------------------------------------------|-------------------------------------------|
| <input type="checkbox"/> Condominium Rider | <input type="checkbox"/> Planned Unit Development Rider | <input type="checkbox"/> 1-4 Family Rider |
| <input type="checkbox"/> Homestead Rider   | <input type="checkbox"/> Other(s)                       |                                           |

**28. Loan Charges.** If the credit line secured by this security instrument is subject to a law which sets maximum loan charges, and that law is finally interpreted so that the interest or other loan charges collected or to be collected in connection with the Home Equity Line Agreement exceed the permitted limits, then: (a) any such loan charge shall be reduced by the amount necessary to reduce the charge to the permitted limit; and (b) any sums already collected from me which exceeded the permitted limits will be refunded to Borrower. Lender may choose to make this refund by reducing the principal owed under the Home Equity Line Agreement or by making a direct payment to Borrower. If a refund reduces principal, the reduction will be treated as a partial prepayment.

**29. Non-Borrowing Party's Joinder.** The execution of this Trust Deed by any person who has no present interest of record in the Property shall not be deemed to indicate that any interest presently exists and shall only constitute that person's agreement that if he/she holds a present interest not of record or an inchoate right, or hereafter acquires such an interest or right, in the Property that such interest or right shall be subject to Lender's interest under this Trust Deed. Further, by executing this Trust Deed, that person does not assume contractual liability under the Home Equity Line Agreement.

**REQUEST FOR NOTICE OF DEFAULT  
AND FORECLOSURE UNDER SUPERIOR  
MORTGAGES OR DEEDS OF TRUST**

601-0001737934

Borrower and Lender request the holder of any mortgage, deed of trust or other encumbrance with a lien which has priority over this Trust Deed to give Notice to Lender, at Lender's address set forth on page one of this Trust Deed, of any default under the superior encumbrance and of any sale or other foreclosure action.

**Statute of Frauds Disclosure:** Under Oregon law, most agreements, promises and commitments made by Irwin Union Bank and Trust Company after October 3, 1989, concerning loans and other extensions which are not for personal, family or household purposes or secured solely by borrower's residence must be in writing, express consideration and be signed by Irwin Union Bank and Trust Company to be enforceable.

Borrower accepts and agrees to the terms and covenants contained in this Trust Deed.

Casindra Brown  
CASINDRA BROWN -Borrower

KEVIN  
CASINDRA BROWN -Borrower  
KEVIN

-Borrower

-Borrower

STATE OF OREGON

COUNTY OF Klamath

This instrument was acknowledged before me on October 7, 2005  
(date)  
by CASINDRA BROWN and KEVIN CASINDRA BROWN

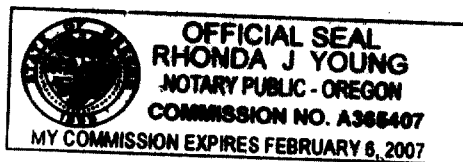
(name(s) of person(s))

(Signature of Notarial Officer)

(Title (and Rank))

Type or Print Notarial Officer Name

My commission expires: 2-6-07



(Seal, if any)

Legal Description Continued

601-0001737934

Borrowers: CASINDRA BROWN  
~~CASINDRA~~ BROWN  
KEVIN 

Property Address: 4625 HOPE STREET  
Klamath Falls, OR 97603

THE REAL PROPERTY LOCATED IN THE CITY OF KLAMATH FALLS, COUNTY OF KLAMATH,  
STATE OF OR.

LOT 25 IN BLOCK 4 OF TRACT NO. 1087, FIRST ADDITION TO BANYON PARK,  
ACCORDING TO THE OFFICIAL PLAT THEREOF ON FILE IN THE OFFICE OF THE COUNTY  
CLERKS'S OF KLAMATH COUNTY, OREGON.