

M06-02615

Klamath County, Oregon

02/10/2006 09:02:09 AM

Pages 9 Fee: \$61.00

Mail tax statements to:

Daniel Haynes
1018 N. Eldorado Ave
Klamath Falls, MO 97601

RETURN TO:
MISSY DOMINGUEZ
LENDER RECORDING SERVICES
25111 COUNTRY CLUB BLVD #275
N. OLMSTED, OH 44070

When recorded return to:

LENDER'S INVESTMENT CORP.

18101 VON KARMAN AVENUE, SUITE 400
IRVINE, CALIFORNIA 92612

LR# 55242

State of Oregon Space Above This Line For Recording Data
LOAN NO. 0511080018 LINE OF CREDIT TRUST DEED
MIN: 1002663-0511080018-2 (With Future Advance Clause)

1. DATE AND PARTIES. The date of this Deed of Trust (Security Instrument) is NOVEMBER 23, 2005 and the parties, their addresses and tax identification numbers, if required, are as follows:
GRANTOR: DANIEL R HAYNES

1018 NORTH ELDORADO AVENUE
KLAMATH FALLS, OR 97601

[] If checked, refer to the attached Addendum incorporated herein, for additional Grantors, their signatures and acknowledgements.

TRUSTEE: EXAMNET
25111 COUNTRY CLUB BLVD STE 275, NORTH OLMSTEAD, OH 44070

LENDER: LENDER'S INVESTMENT CORP., A CALIFORNIA CORPORATION
18101 VON KARMAN AVENUE, SUITE 400, IRVINE, CALIFORNIA 92612

"MERS" is Mortgage Electronic Registration Systems, Inc. MERS is a separate corporation that is acting solely as a nominee for Lender and Lender's successors and assigns. MERS is the beneficiary under this Security Instrument. MERS is organized and existing under the laws of Delaware, and has an address and telephone number of P.O. Box 2026, Flint, Michigan 48501-2026, tel. (888)679-MERS.

2. CONVEYANCE. The beneficiary of this Security Instrument is MERS (solely as nominee for Lender and Lender's successors and assigns) and the successors and assigns of MERS. For good and valuable consideration, the receipt and sufficiency of which is acknowledged, and to secure the Secured Debt (defined below) and Grantor's performance under this Security Instrument, Grantor irrevocably grants, conveys and sells to Trustee, in trust for the benefit of Lender, with power of sale, the following described property:
SEE ATTACHED LEGAL.

ADJ# 21689

The property is located in KLAMATH at 1018 NORTH ELDORADO AVENUE
(County)

(Address)

KLAMATH FALLS

Oregon

97601

(ZIP Code)

Together with all rights, easements, appurtenances, royalties, mineral rights, oil and gas rights, all water and riparian rights, ditches, and water stock and all existing and future improvements, structures, fixtures, and replacements that may now, or at any time in the future, be part of the real estate described above (all referred to as "Property").

HOME EQUITY LINE SECURITY AGREEMENT DATED: NOVEMBER 23, 2005

Borrower understands and agrees that MERS holds only legal title to the interests granted by Borrower in this Security Instrument, 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 those 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 Security Instrument.

3. **MAXIMUM OBLIGATION LIMIT.** The total principal amount secured by this Security Instrument at any one time shall not exceed \$ 35,000.00. This limitation of amount does not include interest and other fees and charges validly made pursuant to this Security Instrument. Also, this limitation does not apply to advances made under the terms of this Security Instrument to protect Lender's security and to perform any of the covenants contained in this Security Instrument.
4. **SECURED DEBT AND FUTURE ADVANCES.** The term "Secured Debt" is defined as follows:
 - A. Debt incurred under the terms of all promissory note(s), contract(s), guaranty(s) or other evidence of debt described below and all their extensions, renewals, modifications or substitutions. (You must specifically identify the debt(s) secured and you should include the final maturity date of such debt(s).)
 - B. All future advances from Lender to Grantor or other future obligations of Grantor to Lender under any promissory note, contract, guaranty, or other evidence of debt executed by Grantor in favor of Lender executed after this Security Instrument whether or not this Security Instrument is specifically referenced. If more than one person signs this Security Instrument, each Grantor agrees that this Security Instrument will secure all future advances and future obligations that are given to or incurred by any one or more Grantor, or any one or more Grantor and others. All future advances and other future obligations are secured by this Security Instrument even though all or part may not yet be advanced. All future advances and other future obligations are secured as if made on the date of this Security Instrument. Nothing in this Security Instrument shall constitute a commitment to make additional or future loans or advances in any amount. Any such commitment must be agreed to in a separate writing.
 - C. All other obligations Grantor owes to Lender, which may later arise, to the extent not prohibited by law, including, but not limited to, liabilities for overdrafts relating to any deposit account agreement between Grantor and Lender.
 - D. All additional sums advanced and expenses incurred by Lender for insuring, preserving or otherwise protecting the Property and its value and any other sums advanced and expenses incurred by Lender under the terms of this Security Instrument.

In the event that Lender fails to provide any necessary notice of the right of rescission with respect to any additional indebtedness secured under paragraph B of this Section, Lender waives any subsequent security interest in the Grantor's principal dwelling that is created by this Security Instrument (but does not waive the security interest for the debts referenced in paragraph A of this Section).

5. **DEED OF TRUST COVENANTS.** Grantor agrees that the covenants in this section are material obligations under the Secured Debt and this Security Instrument. If Grantor breaches any covenant in this section, Lender may refuse to make additional extensions of credit and reduce the credit limit. By not exercising either remedy on Grantor's breach, Lender does not waive Lender's right to later consider the event a breach if it happens again.

Payments. Grantor agrees that all payments under the Secured Debt will be paid when due and in accordance with the terms of the Secured Debt and this Security Instrument.

Prior Security Interests. With regard to any other mortgage, deed of trust, security agreement or other lien document that created a prior security interest or encumbrance on the Property, Grantor agrees to make all payments when due and to perform or comply with all covenants. Grantor also agrees not to allow any modification or extension of, nor to request any future advances under any note or agreement secured by the lien document without Lender's prior written approval.

Claims Against Title. Grantor will pay all taxes, assessments, liens, encumbrances, lease payments, ground rents, utilities, and other charges relating to the Property when due. Lender may require Grantor to provide to Lender copies of all notices that such amounts are due and the receipts evidencing Grantor's payment. Grantor will defend title to the Property against any claims that would impair the lien of this Security Instrument. Grantor agrees to assign to Lender, as requested by Lender, any rights, claims or defenses Grantor may have against parties who supply labor or materials to maintain or improve the Property.

Property Condition, Alterations and Inspection. Grantor will keep the Property in good condition and make all repairs that are reasonably necessary. Grantor shall not commit or allow any waste, impairment, or deterioration of the Property. Grantor agrees that the nature of the occupancy and use will not substantially change without Lender's prior written consent. Grantor will not permit any change in any license, restrictive covenant or easement without Lender's prior written consent. Grantor will notify Lender of all demands, proceedings, claims, and actions against Grantor, and of any loss or damage to the Property.

Lender or Lender's agents may, at Lender's option, enter the Property at any reasonable time for the purpose of inspecting the Property. Lender shall give Grantor notice at the time of or before an inspection specifying a reasonable purpose for the inspection. Any inspection of the Property shall be entirely for Lender's benefit and Grantor will in no way rely on Lender's inspection.

Authority to Perform. If Grantor fails to perform any duty or any of the covenants contained in this Security Instrument, Lender may, without notice, perform or cause them to be performed. Grantor appoints Lender as attorney in fact to sign Grantor's name or pay any amount necessary for performance. Lender's right to perform for Grantor shall not create an obligation to perform, and Lender's failure to perform will not preclude Lender from exercising any of Lender's other rights under the law or this Security Instrument.

Leaseholds; Condominiums; Planned Unit Developments. Grantor agrees to comply with the provisions of any lease if this Security Instrument is on a leasehold. If the Property includes a unit in a condominium or a planned unit development, Grantor will perform all of Grantor's duties under the covenants, by-laws, or regulations of the condominium or planned unit development.

Condemnation. Grantor will give Lender prompt notice of any pending or threatened action, by private or public entities to purchase or take any or all of the Property through condemnation, eminent domain, or any other means. Grantor authorizes Lender to intervene in Grantor's name in any of the above described actions or claims. Grantor assigns to Lender the proceeds of any award or claim for damages connected with a condemnation or other taking of all or any part of the Property. Such proceeds shall be considered payments and will be applied as provided in this Security Instrument. This assignment of proceeds is subject to the terms of any prior mortgage, deed of trust, security agreement or other lien document.

Insurance. Grantor shall keep Property insured against loss by fire, flood, theft and other hazards and risks reasonably associated with the Property due to its type and location. This insurance shall be maintained in the amounts and for the periods that Lender requires. The insurance carrier providing the insurance shall be chosen by Grantor subject to Lender's approval, which shall not be unreasonably withheld. If Grantor fails to maintain the coverage described above, Lender may, at Lender's option, obtain coverage to protect Lender's rights in the Property according to the terms of this Security Instrument.

All insurance policies and renewals shall be acceptable to Lender and shall include a standard "mortgage clause" and, where applicable, "loss payee clause." Grantor shall immediately notify Lender of cancellation or termination of the insurance. Lender shall have the right to hold the policies and renewals. If Lender requires, Grantor shall immediately give to Lender all receipt of paid premiums and renewal notices. Upon loss, Grantor shall give immediate notice to the insurance carrier and Lender. Lender may make proof of loss if not made immediately by Grantor.

Unless otherwise agreed in writing, all insurance proceeds shall be applied to the restoration or repair of the Property or to the Secured Debt, whether or not then due, at Lender's option. Any application of proceeds to principal shall not extend or postpone the due date of the scheduled payment nor change the amount of any payment. Any excess will be paid to the Grantor. If the Property is acquired by Lender, Grantor's right to any insurance policies and proceeds resulting from damage to the Property before the acquisition shall pass to Lender to the extent of the Secured Debt immediately before the acquisition.

Financial Reports and Additional Documents. Grantor will provide to Lender upon request, any financial statement or information Lender may deem reasonably necessary. Grantor agrees to sign, deliver, and file any additional documents or certifications that Lender may consider necessary to perfect, continue, and preserve Grantor's obligations under this Security Instrument and Lender's lien status on the Property.

6. WARRANTY OF TITLE. Grantor warrants that Grantor is or will be lawfully seized of the estate conveyed by this Security Instrument and has the right to irrevocably grant, convey and sell the Property to Trustee, in trust, with power of sale. Grantor also warrants that the Property is unencumbered, except for encumbrances of record.

7. DUE ON SALE. Lender may, at its option, declare the entire balance of the Secured Debt to be immediately due and payable upon the creation of, or contract for the creation of, a transfer or sale of the Property. This right is subject to the restrictions imposed by federal law (12 C.F.R. 591), as applicable.

8. DEFAULT. Grantor will be in default if any of the following occur:

Fraud. Any Consumer Borrower engages in fraud or material misrepresentation in connection with the Secured Debt that is an open end home equity plan.

Payments. Any Consumer Borrower on any Secured Debt that is an open end home equity plan fails to make a payment when due.

Property. Any action or inaction by the Borrower or Grantor occurs that adversely affects the Property or Lender's rights in the Property. This includes, but is not limited to, the following: (a) Grantor fails to maintain required insurance on the Property; (b) Grantor transfers the Property; (c) Grantor commits waste or otherwise destructively uses or fails to maintain the Property such that the action or inaction adversely affects Lender's security; (d) Grantor fails to pay taxes on the Property or otherwise fails to act and thereby causes a lien to be filed against the Property that is senior to the lien of this Security Instrument; (e) a sole Grantor dies; (f) if more than one Grantor, any Grantor dies and Lender's security is adversely affected; (g) the Property is taken through eminent domain; (h) a judgment is filed against Grantor and subjects Grantor and the Property to action that adversely affects Lender's interest; or (i) a prior lienholder forecloses on the Property and as a result, Lender's interest is adversely affected.

Executive Officer. Any Borrower is an executive officer of Lender or an affiliate and such Borrower becomes indebted to Lender or another lender in an aggregate amount greater than the amount permitted under federal laws and regulations.

9. REMEDIES ON DEFAULT. In addition to any other remedy available under the terms of this Security Instrument, Lender may accelerate the Secured Debt and foreclose this Security Instrument in a manner provided by law if Grantor is in default. In some instances, federal and state law will require Lender to provide Grantor with notice of the right to cure, or other notices and may establish time schedules for foreclosure actions.

At the option of the Lender, all or any part of the agreed fees and charges, accrued interest and principal shall become immediately due and payable, after giving notice if required by law, upon the occurrence of a default or anytime thereafter. Lender shall be entitled to, without limitation, the power to sell the Property.

If there is a default, Trustee shall, at the request of the Lender, advertise and sell the Property as a whole or in separate parcels at public auction to the highest bidder for cash and convey absolute title free and clear of all right, title and interest of Grantor at such time and place as Trustee designates. Trustee shall give notice of sale including the time, terms and place of sale and a description of the Property to be sold as required by applicable law in effect at the time of proposed sale.

Upon sale of the Property and to the extent not prohibited by law, Trustee shall make and deliver a deed to the Property sold which conveys absolute title to the purchaser, and after first paying all fees, charges and costs, shall pay to Lender all moneys advanced for repairs, taxes, insurance, liens, assessments and prior encumbrances and interest thereon, and the principal and interest on the Secured Debt, paying the surplus, if any, to Grantor. Lender may purchase the Property. The recitals in any deed of conveyance shall be prima facie evidence of the facts set forth therein.

The acceptance by Lender of any sum in payment or partial payment on the Secured Debt after the balance is due or is accelerated or after foreclosure proceedings are filed shall not constitute a waiver of Lender's right to require complete cure of any existing default. By not exercising any remedy on Grantor's default, Lender does not waive Lender's right to later consider the event a default if it happens again.

10. **EXPENSES; ADVANCES ON COVENANTS; ATTORNEYS' FEES; COLLECTION COSTS.** If Grantor breaches any covenant in this Security Instrument, Grantor agrees to pay all expenses Lender incurs in performing such covenants or protecting its security interest in the Property. Such expenses include, but are not limited to, fees incurred for inspecting, preserving, or otherwise protecting the Property and Lender's security interest. These expenses are payable on demand and will bear interest from the date of payment until paid in full at the highest rate of interest in effect as provided in the terms of the Secured Debt. Grantor agrees to pay all costs and expenses incurred by Lender in collecting, enforcing or protecting Lender's rights and remedies under this Security Instrument. This amount may include, but is not limited to, attorneys' fees, court costs, and other legal expenses. To the extent permitted by the United States Bankruptcy Code, Grantor agrees to pay the reasonable attorneys' fees Lender incurs to collect the Secured Debt as awarded by any court exercising jurisdiction under the Bankruptcy Code. This Security Instrument shall remain in effect until released. Grantor agrees to pay for any recordation costs of such release.
11. **ENVIRONMENTAL LAWS AND HAZARDOUS SUBSTANCES.** As used in this section, (1) Environmental Law means, without limitation, the Comprehensive Environmental Response, Compensation and Liability Act (CERCLA, 42 U.S.C. 9601 et seq.), and all other federal, state and local laws, regulations, ordinances, court orders, attorney general opinions or interpretive letters concerning the public health, safety, welfare, environment or a hazardous substance; and (2) Hazardous Substance means any toxic, radioactive or hazardous material, waste, pollutant or contaminant which has characteristics which render the substance dangerous or potentially dangerous to the public health, safety, welfare or environment. The term includes, without limitation, any substances defined as "hazardous material," "toxic substances," "hazardous waste" or "hazardous substance" under any Environmental Law.
- Grantor represents, warrants and agrees that:
- A. Except as previously disclosed and acknowledged in writing to Lender, no Hazardous Substance is or will be located, stored or released on or in the Property. This restriction does not apply to small quantities of Hazardous Substances that are generally recognized to be appropriate for the normal use and maintenance of the Property.
 - B. Except as previously disclosed and acknowledged in writing to Lender, Grantor and every tenant have been, are, and shall remain in full compliance with any applicable Environmental Law.
 - C. Grantor shall immediately notify Lender if a release or threatened release of a Hazardous Substance occurs on, under or about the Property or there is a violation of any Environmental Law concerning the Property. In such an event, Grantor shall take all necessary remedial action in accordance with any Environmental Law.
 - D. Grantor shall immediately notify Lender in writing as soon as Grantor has reason to believe there is any pending or threatened investigation, claim, or proceeding relating to the release or threatened release of any Hazardous Substance or the violation of any Environmental Law.
12. **ESCROW FOR TAXES AND INSURANCE.** Unless otherwise provided in a separate agreement, Grantor will not be required to pay to Lender funds for taxes and insurance in escrow.
13. **JOINT AND INDIVIDUAL LIABILITY; CO-SIGNERS; SUCCESSORS AND ASSIGNS BOUND.** All duties under this Security Instrument are joint and individual. If Grantor signs this Security Instrument but does not sign an evidence of debt, Grantor does so only to mortgage Grantor's interest in the Property to secure payment of the Secured Debt and Grantor does not agree to be personally liable on the Secured Debt. If this Security Instrument secures a guaranty between Lender and Grantor, Grantor agrees to waive any rights that may prevent Lender from bringing any action or claim against Grantor or any party indebted under the obligation. These rights may include, but are not limited to, any anti-deficiency or one-action laws. The duties and benefits of this Security Instrument shall bind and benefit the successors and assigns of Grantor and Lender.
14. **SEVERABILITY; INTERPRETATION.** This Security Instrument is complete and fully integrated. This Security Instrument may not be amended or modified by oral agreement. Any section in this Security Instrument, attachments, or any agreement related to the Secured Debt that conflicts with applicable law will not be effective, unless that law expressly or impliedly permits the variations by written agreement. If any section of this Security Instrument cannot be enforced according to its terms, that section will be severed and will not affect the enforceability of the remainder of this Security Instrument. Whenever used, the singular shall include the plural and the plural the singular. The captions and headings of the sections of this Security Instrument are for convenience only and are not to be used to interpret or define the terms of this Security Instrument. Time is of the essence in this Security Instrument.

15. **SUCCESSOR TRUSTEE.** Lender, at Lender's option, may from time to time remove Trustee and appoint a successor trustee without any other formality than the designation in writing. The successor trustee, without conveyance of the Property, shall succeed to all the title, power and duties conferred upon Trustee by this Security Instrument and applicable law.
16. **NOTICE.** Unless otherwise required by law, any notice shall be given by delivering it or by mailing it by first class mail to the appropriate party's address on page 1 of this Security Instrument, or to any other address designated in writing. Notice to one grantor will be deemed to be notice to all grantors.
17. **WAIVERS.** Except to the extent prohibited by law, Grantor waives all appraisal and homestead exemption rights relating to the Property.
18. **LINE OF CREDIT.** The Secured Debt includes a revolving line of credit. Although the Secured Debt may be reduced to a zero balance, this Security Instrument will remain in effect until released.
19. **APPLICABLE LAW.** This Security Instrument is governed by the laws as agreed to in the Secured Debt, except to the extent required by the laws of the jurisdiction where the Property is located, and applicable federal laws and regulations.
20. **RIDERS.** The covenants and agreements of each of the riders checked below are incorporated into and supplement and amend the terms of this Security Instrument. [Check all applicable boxes]
☐ Assignment of Leases and Rents ☐ Other
21. ☐ **ADDITIONAL TERMS.**

SIGNATURES: By signing below, Grantor agrees to the terms and covenants contained in this Security Instrument and in any attachments. Grantor also acknowledges receipt of a copy of this Security Instrument on the date stated on page 1.

Daniel R Haynes 11-23-05
 (Signature) Date
 DANIEL R HAYNES

(Signature) Date

(Signature) Date

(Signature) Date

ACKNOWLEDGMENT:

STATE OF OREGON
 This instrument was acknowledged before me on this
 by DANIEL R HAYNES

, COUNTY OF KLAMATH
 23 day of NOV 2005) ss.

My commission expires: 2-6-07
 (seal)

[Signature]
 (Notary Public)

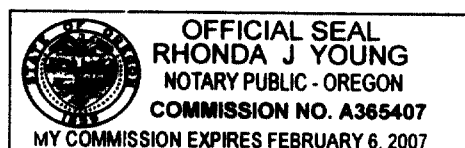
REQUEST FOR FULL RECONVEYANCE
 (Not to be completed until paid in full)

TO TRUSTEE:

The undersigned is the holder of the note or notes secured by this Deed of Trust. Said note or notes, together with all other indebtedness secured by this Deed of Trust, have been paid in full. You are hereby directed to cancel this Deed of Trust, which is delivered hereby, and to reconvey, without warranty, all the estate now held by you under this Deed of Trust to the person or persons legally entitled thereto.

(Authorized Lender Signature)

Date



I. GENERAL

The undersigned, hereinafter referred to as Affiant (whether one or more), of lawful age, being first duly sworn, upon oath states:

1. That this affidavit is given for the purpose of inducing to accept Warranty Deed/Mortgage/Deed of Trust, affecting the property described in Commitment Number _____ and to induce Nations Title Agency Inc. and its underwriter to issue its policy or policies of title insurance;
2. That Affiant is the lawful owner in fee of the subject property;
3. That there are no outstanding sales contracts or options to purchase and no one is in possession of said premises under lease or otherwise, which would prevent giving possession of said property;
4. That all real estate taxes, City, Special and State and County; which are now due, have been paid, and that no notice of special tax has been received;
5. That there are no unpaid bills for materials furnished or labor performed on said premises, for the period of more than six months immediately prior to this date that could form the basis of a Mechanic's Lien thereon;
6. That there are no outstanding sale, contracts unpaid or due, and there are no outstanding security agreements or unpaid purchase price for any heating, plumbing, electric or other equipment attached to said real estate;
7. That there are no judgments against Affiant nor are there any suits pending, proceedings in bankruptcy, or other proceedings in the District or Circuit Courts of the United States to which the said Affiant is a party. No Income Tax Lien, either by the Federal Government or the State, is in effect against this Affiant;
8. That there are no outstanding unrecorded Instruments that would affect title to the above-described property at this date; NINE OR TEN MUST BE CHECKED
9. (☒) To our knowledge, the Homes Association dues are inactive. We have never been assessed for any dues of any nature in connection with the Homes Association.
10. The Homes Association is active. Dues are in the amount of \$ _____

per _____ from _____ to _____

(☐) Dues have been paid to _____

. (☐) Dues have NOT been paid.

Name of Homes Association
Address:

Name: _____ Phone # _____

11. That there are no encroachments, overlaps, boundary line disputes, or any other matter which would be disclosed by a current accurate survey and inspection of the premises.
12. That the subject loan documents are the final expression of the agreement between Lender and Affiant and may not be contradicted by evidence of any prior oral agreement or of a contemporaneous oral agreement between Lender and Affiant. Further, there are no outside agreements between Lender and Affiant that remain outstanding after the date of final settlement.

II. PERSONAL UNDERTAKING-GAP

1. WHEREAS, the underwriter hereinafter referred to as "the Company" is about to issue its title insurance policy or commitment therefore, all thereafter referred to as "the Policy", (number referenced on page 1) in respect to the land described is said commitment;
2. WHEREAS, the Company is unwilling to issue such Policy unless exception is made for the following matters (hereinafter referred to as the Exception):
Defects, liens, encumbrances, adverse claims or other matters, if any, created, first appearing in the public record or attaching subsequent to _____ but prior to file date the proposed insured acquires for value

EFFECTIVE DATE OF COMMITMENT
of record the estate or interest or mortgage covered herein.

3. AND, WHEREAS, the Company has been requested to issue its Policy and may hereafter in the ordinary course of its business issue the Policy therefore in the form or forms now or then commonly used by the company with respect to the land or to some part or parts thereof, or interest herein, free and clear of all mention of the aforesaid Exception to title.

4. NOW, THEREFORE, In consideration of the issuance of said title insurance policy as aforesaid and for nominal consideration paid to the undersigned by the Company, the receipt whereof is hereby acknowledged, the undersigned does hereby for itself, its successors and assigns, covenant and agree with the Company; A) to fully protect, defend and save harmless the Company from and against the above mentioned rights and liens, and each and every of them; B) to fully protect, defend and save harmless the Company from any and all loss, costs, damages, attorney's and solicitor's fees and expenses of every kind and nature which it may suffer, expend or incur under or by reason or in consequence of said Policy, on account of, in consequence of or growing out of the above mentioned rights and liens, or any of them, or on account of the assertion or enforcement or attempted assertion or enforcement thereof, or of any right existing or hereafter arising, or which at any time be claimed to exist under or by reason, or in consequence of or growing out of the said right and liens or of any of them; I, as against the assertion or attempted assertion of any such rights and liens to defend at its own costs and charges in behalf of any for the protection of the Company and of the parties insured, or who may be insured, against loss by it under said title insurance policies (but without prejudice to the right of the Company to defend it if so elects) any and every suit, action or proceeding in which any such rights and liens may be asserted or attempted to be asserted, established or enforced in, to upon against or in respect to said real estate, or any part thereof, or interest therein; D) that each and every provision hereof shall extend to and be in force concerning any and every other Policy or Policies which the Company may at any time hereafter issue insuring against loss by reason of the "Exceptions to Title" noted above with respect to the real estate herein before described, or my part or parts thereof, or interest therein. The foregoing notwithstanding, it is hereby covenanted and agreed, and expressly made a part of this agreement, that the liability of the undersigned hereunder shall cease and determine at such time as the Company shall have completed all of its various title searches covering the Property required for the issuance of the above Policy; provided, however, that A) no rights, interest, lien claims, encumbrances, or defects in title or any of the, or any rights existing or arising by reason or in consequence thereof or growing out thereof are disclosed by the said various title searches and examination thereof, B) there is then pending no suit, action, or proceedings, either direct or collateral, to assert, establish, or enforce the said mentioned rights, interest, liens, claims, encumbrances, or defects in title, or any of them, or any rights existing or arising by reason or in consequence thereof or growing out thereof, and C) that no judgment, order, or decree rendered in any such proceeding remains unsatisfied.

DANIEL R HAYNES

Affiant

Affiant

Affiant

Affiant

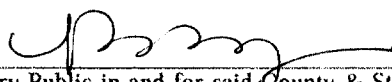
Affiant

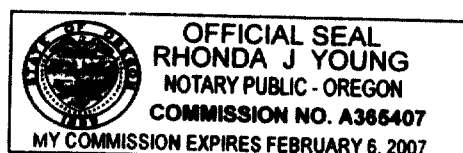
Affiant

State of Oregon)
County of Klamath)ss

On this 23 day of NOV 2005 before me, the undersigned, a Notary Public personally appeared to me DANIEL R HAYNES known to be the persons described in and who executed the foregoing instrument, and acknowledged that they executed the same as their free act and deed. Witness my hand and notarial seal subscribed and affixed in said County and State, the day and the year first above written.

My Term Expires: 2-6-07


Notary Public in and for said County & State Klamath Oregon



Legal Desc. : LOT 4, BLOCK 30, HOT SPRINGS ADDITION TO THE CITY OF KLAMATH FALLS, IN THE COUNTY OF KLAMATH,
STATE OF OREGON.

APR 21 1989