2008-008340 Klamath County, Oregon

00047625200800083400090095

RECORDING COVER SHEET (Please Print or Type)

06/09/2008 10:53:06 AM This cover sheet was prepared by the person presenting the instrument for recording. The information on this sheet is a reflection of the attached instrument and was added for the purpose of meeting first page recording requirements in the State of Oregon, ORS 205.234, and does NOT affect the instrument.

> When recorded return to: First American Title Insurance **Equity Loan Services** 1100 Superior Avenue, Suite 200 Cleveland, Ohio 44114 ATTN: NSS TEAM

THIS SPACE RESERVED FOR USE BY
THE COUNTY RECORDING OFFICE

Fee: \$61.00

	[
TITLE(S) OF THE TRANSACTION(S) ORS 20	5.234(a)
Deed of Trust	
	. // /
DIRECT PARTY / GRANTOR(S) ORS 205.125(1)(b) and 205.160
Jerry D. Jones + John	i D. Jones
A*.	4 4
INDIRECT PARTY / GRANTEE(S) ORS 205.12	25(1)(a) and 205.160
Borng Smy syees the	dut Union
	5) SEND TAX STATEMENTS TO
ORS 93.030(3) – Amount in donars or other	
92,000,00 Dother	
- Journal	
SATISFACTION of ORDER or WARRANT	7) The amount of the monetary
ORS 205.125(1)(e)	obligation imposed by the order
	or warrant. ORS 205.125(1)(c)
applicable) PARTIAL	e e
	\$
If this instrument is being Re-Recorded, compl	ete the following statement, in
2001.34.001.01.001.001.001.001.001.001.001.001	PREVIOUSLY RECORDED IN
BOOK, OR AS FEE	NUMBER
	DIRECT PARTY / GRANTOR(S) ORS 205.125(Selly D. Tones + John NDIRECT PARTY / GRANTEE(S) ORS 205.12 RUE AND ACTUAL CONSIDERATION ORS 93.030(5) – Amount in dollars or other Other CATISFACTION of ORDER or WARRANT ORS 205.125(1)(e) ECK ONE: FULL pplicable PARTIAL If this instrument is being Re-Recorded, complaceordance with ORS 205.244: "RERECORDED

Return Address:

Boeing Employees Credit Union Attn: Consumer Loan Member Care P.O. Box 97050 Seattle, Washington 98124-9750

	[2	Space	Above	This	Line I	For	Recording	Data
--	----	-------	-------	------	--------	-----	-----------	------

DEED OF TRUST

(Line of Credit - This Deed of Trust Secures future Advances)

THIS DEED OF TRUST ("Security Instrument") is made on May 28, 2008 The grantor is Jerry D Jones and Johni D Jones, husband and wife

The trustee is Regional Trustee Services Corporation

("Borrower"). ("Trustee").

The beneficiary is Boeing Employees' Credit Union, which is organized and existing under the laws of the State of Washington, and whose address is P.O. Box 97050, Seattle, Washington 98124-9750 ("Lender"). Borrower has entered into a Credit Line Account Variable Interest Rate Home Equity Secured Open-End Credit Agreement and Truth-In-Lending Disclosure ("Agreement") with Lender as of May 28, 2008 under the terms of which Borrower may, from time to time, obtain advances not to exceed, at any time, an amount equal to the Maximum Credit Limit (as defined therein) of \$ 92,000.00 (MAXIMUM PRINCIPAL AMOUNT). This Agreement provides for monthly payments, with the full debt, if not paid earlier, due and payable on June 02, 2033 (unless the parties to the Agreement agree to extend this date). This Security Instrument secures to Lender: (a) the repayment of the debt under the Agreement, including future advances, with interest, and all renewals, extensions and modifications of the Agreement; (b) the payment of all other sums, with interest, advanced under paragraph 5 to protect the security of this Security Instrument; and (c) the performance of Borrower's covenants and agreements under this Security Instrument and the Agreement. For this purpose, Borrower irrevocably grants and conveys to Trustee, in trust, with power of sale, Klamath County, Oregon: the following described property located in

Loan Reference Number: 1004430061

See attached

which has the address of 20021 N Poe Valley Rd [Street]

Klamath Falls

[City]

Oregon

97603 [Zip Code] ("Property Address");

TOGETHER WITH all the improvements now or hereafter erected on the property, and all easements, appurtenances, and fixtures now or hereafter a part of the property. All replacements and additions shall also be covered by this Security Instrument. All of the foregoing is referred to in this Security Instrument as the "Property."

BORROWER COVENANTS that Borrower is lawfully seised of the estate hereby conveyed and has the right to grant and convey the Property and that the Property is unencumbered, except for encumbrances of record. Borrower warrants and will defend generally the title to the Property against all claims and demands, subject to any encumbrances of record.

OTBS 093 OR (12/00) (page 1 of 5 pages) Borrower and Lender covenant and agree as follows:

1. Payment of Principal and Interest; Late Charges or Other Fees and Charges. Borrower shall promptly pay when due the principal of and interest on the debt owed under the Agreement and any late charges or other fees and charges due under the Agreement.

2. Charges; Liens. Borrower shall pay all taxes, assessments, charges, fines and impositions attributable to the Property which may attain priority over this Security Instrument, and leasehold payments or ground rents, if any. At Lender's Request, Borrower shall promptly furnish to Lender all notices of amounts to be paid under this

paragraph and shall promptly furnish to Lender receipts evidencing the payments.

Borrower shall promptly discharge any lien which has priority over this Security Instrument unless Borrower: (a) agrees in writing to the payment of the obligation secured by the lien in a manner acceptable to Lender; (b) contests in good faith the lien by, or defends against enforcement of the lien in, legal proceedings which in the Lender's opinion operate to prevent the enforcement of the lien; or (c) secures from the holder of the lien an agreement satisfactory to Lender subordinating the lien to this Security Instrument. If Lender determines that any part of the Property is subject to a lien which may attain priority over this Security Instrument, Lender may give Borrower a notice identifying the lien. Borrower shall satisfy the lien or take one or more of the actions set

forth above within 10 days of the giving of notice.

3. Hazard or Property 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. 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 Borrower subject to Lender's approval which shall not be unreasonably withheld. If Borrower fails to maintain coverage described above, Lender may, at Lender's option, obtain coverage to protect Lender's rights in the Property in accordance with paragraph 5.

All insurance policies and renewals shall be acceptable to Lender and shall include a standard mortgage clause. Lender shall have the right to hold the policies and renewals. If Lender requires, Borrower shall promptly give to Lender all receipts of paid premiums and renewal notices. 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.

Unless Lender and Borrower otherwise agree in writing, insurance proceeds shall be applied to restoration or repair of the Property damaged, if the restoration or repair is economically feasible and Lender's security is not lessened. If the restoration or repair is not economically feasible or Lender's security would be lessened, the insurance proceeds shall be applied to the sums secured by this Security Instrument, whether or not then due, with any excess paid to Borrower. If Borrower abandons the Property, or does not answer within 30 days a notice from Lender that the insurance carrier has offered to settle a claim, then Lender may collect the insurance proceeds. Lender may use the proceeds to repair or restore the Property or to pay sums secured by this Security Instrument, whether or not then due. The 30-day period will begin when the notice is given.

Unless Lender and Borrower otherwise agree in writing, any application of proceeds to principal shall not

extend, change or postpone the due date or amount of the payments due under the Agreement. If under paragraph 17 the Property is acquired by Lender, Borrower's right to any insurance policies and proceeds resulting from damage to the Property prior to the acquisition shall pass to Lender to the extent of the sums secured by this Security Instrument immediately prior to the acquisition.

4. Preservation, Maintenance and Protection of the Property; Leaseholds. Borrower shall not destroy damage or impair the Property, allow the Property to deteriorate, or commit waste on the Property. Borrower shall be in default if any forfeiture action or proceeding, whether civil or criminal, is begun that in Lender's good faith judgment could result in forfeiture of the Property or otherwise materially impair the lien created by this Security Instrument or Lender's security interest. Borrower may cure such a default and reinstate, as provided in paragraph 15 by causing the action or proceeding to be dismissed with a ruling that, in Lender's good faith determination, precludes forfeiture of the Borrower's interest in the Property or other material impairment of the lien created by this Security Instrument or Lender's security interest. If this Security Instrument is on a leasehold, Borrower shall comply with all the provisions of the lease. If Borrower acquires fee title to the Property, the leasehold and the fee title shall not merge unless Lender agrees to the merger in writing.

5. Protection of Lender's Rights in the Property. If Borrower fails to perform the covenants and agreements contained in this Security Instrument, or there is a legal proceeding that may significantly affect I ander's rights in the Property (such as a proceeding the lease true makes the property of the lease of the lease

Lender's rights in the Property (such as a proceeding in bankruptcy, probate, for condemnation or forfeiture or to enforce laws or regulations), then Lender may do and pay for whatever is necessary to protect the value of the Property and Lender's rights in the Property. Lender's actions may include paying any sums secured by a lien which has priority over this Security Instrument, appearing in court, paying reasonable attorneys' fees and entering on the Property to make repairs. Although Lender may take action under this paragraph 5, Lender does not have to do so.

Any amounts disbursed by Lender under this paragraph 5 shall become additional debt of Borrower secured by this Security Instrument. Unless Borrower and Lender agree to other terms of payment, these amounts

shall bear interest from the date of disbursement at the rate chargeable for advances under the Agreement and shall be payable, with interest, upon notice from Lender to Borrower requesting payment.

OTBS 093 OR (12/00)

- 6. Inspection. Lender or its agent may make reasonable entries upon and inspections of the Property. Lender shall give Borrower notice at the time of or prior to an inspection specifying reasonable cause for the inspection.
- 7. Condemnation. The proceeds of any award or claim for damages, direct or consequential, in connection with any condemnation or other taking of any part of the Property, or for conveyance in lieu of condemnation, are hereby assigned and shall be paid to Lender.

In the event of a total taking of the Property, the proceeds shall be applied to the sums secured by this Security Instrument, whether or not then due, with any excess paid to Borrower. In the event of a partial taking of the Property in which the fair market value of the Property immediately before the taking is equal to or greater than the amount of the sums secured by this Security Instrument immediately before the taking, unless Borrower and Lender otherwise agree in writing, the sums secured by this Security Instrument shall be reduced by the amount of the proceeds multiplied by the following fraction: (a) the total amount of the sums secured immediately before the taking, divided by (b) the fair market value of the Property immediately before the taking. Any balance shall be paid to Borrower. In the event of a partial taking of the Property in which the fair market value of the Property immediately before the taking is less than the amount of the sums secured immediately before the taking, unless Borrower and Lender otherwise agree in writing or unless applicable law otherwise provides, the proceeds shall be applied to the sums secured by this Security Instrument whether or not the sums are then due.

If the Property is abandoned by Borrower, or if, after notice by Lender to Borrower that the condemnor offers to make an award or settle a claim for damages, Borrower fails to respond to Lender within 30 days after the date the notice is given, Lender is authorized to collect and apply the proceeds, at its option, either to restoration or repair of the Property or to the sums secured by this Security Instrument, whether or not then due.

Unless Lender and Borrower otherwise agree in writing, any application of proceeds to principal shall not extend, change or postpone the due date or amount of the payments due under the Agreement.

- 8. Borrower Not Released; Forbearance By Lender Not a Waiver. Extension of the time for payment or modification of amortization of the sums secured by this Security Instrument granted by Lender to any successor in interest of Borrower shall not operate to release the liability of the original Borrower or Borrower's successors in interest. Lender shall not be required to commence proceedings against any successor in interest or refuse to extend time for payment or otherwise modify amortization of the sums secured by this Security Instrument by reason of any demand made by the original Borrower or Borrower's successors in interest. Any forbearance by Lender in exercising any right or remedy shall not be a waiver of or preclude the exercise of any right or remedy.
- 9. Successors and Assigns Bound; Joint and Several Liability; Co-signers. The covenants and agreements of this Security Instrument shall bind and benefit the successors and assigns of Lender and Borrower, subject to the provisions of paragraph 14. Borrower's covenants and agreements shall be joint and several. Any Borrower who co-signs this Security Instrument but is not personally liable under the Agreement: (a) is co-signing this Security Instrument only to mortgage, grant and convey that Borrower's interest in the Property under the terms of this Security Instrument; (b) is not personally obligated to pay the sums secured by this Security Instrument; and (c) agrees that Lender and any other Borrower may agree to extend, modify, forbear or make any accommodations with regard to the terms of this Security Instrument or the Agreement without that Borrower's consent.
- 10. Loan Charges. If the loan 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 loan 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 Borrower which exceeded permitted limits will be refunded to Borrower. Lender may choose to make this refund by reducing the principal owed under the Agreement or by making a direct payment to Borrower. If a refund reduces principal, the reduction will be treated as a partial prepayment under the Agreement.
- 11. Notices. Any notice to Borrower provided for in this Security Instrument shall be given by delivering it or by mailing it by first class mail unless applicable law requires use of another method. The notice shall be directed to the Property Address or any other address Borrower designates by notice to Lender. Any notice to Lender shall be given by first class mail to Lender's address stated herein or any other address Lender designates by notice to Borrower. Any notice provided for in this Security Instrument shall be deemed to have been given to Borrower or Lender when given as provided in this paragraph.
- 12. Governing Law; Severability. This Security Instrument shall be governed by federal law and the law of the jurisdiction in which the Property is located. In the event that any provision or clause of this Security Instrument or the Agreement conflicts with applicable law, such conflict shall not affect other provisions of this Security Instrument or the Agreement which can be given effect without the conflicting provision. To this end the provisions of this Security Instrument and the Agreement are declared to be severable.
 - 13. Borrower's Copy. Borrower shall be given one conformed copy of the Agreement and this Security Instrument.

OTBS 093 OR (12/00)

(page 3 of 5 pages)

14. 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 Security Instrument. However, this option shall not be exercised by Lender if exercise is prohibited by federal law as of the date of this Security Instrument.

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 Security Instrument. If Borrower fails to pay these sums prior to the expiration of this period, Lender may invoke any remedies permitted by this Security Instrument without further notice or demand on Borrower.

15. Borrower's Right to Reinstate. If Borrower meets certain conditions, Borrower shall have the right to have enforcement of this Security Instrument discontinued at any time prior to the earlier of: (a) 5 days (or such other period as applicable law may specify for reinstatement) before sale of the Property pursuant to any power of sale contained in this Security Instrument; or (b) entry of a judgment enforcing this Security Instrument. Those conditions are that Borrower: (a) pays Lender all sums which then would be due under this Security Instrument and the Agreement as if no acceleration had occurred; (b) cures any default of any other covenants or agreements; (c) pays all expenses incurred in enforcing this Security Instrument, including, but not limited to, reasonable attorneys' fees; and (d) takes such action as Lender may reasonably require to assure that the lien of this Security Instrument, Lender's rights in the Property and Borrower's obligation to pay the sums secured by this Security Instrument shall continue unchanged. Upon reinstatement by Borrower, this Security Instrument and the obligations secured hereby shall remain fully effective as if no acceleration had occurred. However, this right to reinstate shall not apply in the case of acceleration under paragraph 14.

16. 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 Substance affecting the Property is necessary, Borrower shall promptly take all necessary remedial actions in accordance with Environmental Law.

As used in this paragraph 16, "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 16, "Environmental Law" means federal laws and laws of the jurisdiction where the Property is located that relate to health, safety or environmental protection.

17. Acceleration; Remedies. Lender shall give notice to Borrower prior to acceleration following Borrower's breach of any covenant or agreement in this Security Instrument or the Agreement under which acceleration is permitted (but not prior to acceleration under paragraph 14 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 the sums secured by this Security Instrument 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 may require immediate payment in full of all sums secured by this Security Instrument 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 17, 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 the Property at any sale.

OTBS 093 OR (12/00)

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 Security Instrument; and (c) any excess to the person or persons legally entitled to it.

18. Reconveyance. Upon payment of all sums secured by this Security Instrument and termination of any ability of Borrower to obtain further advances under any Agreement or Note, Lender shall request Trustee to reconvey the Property and shall surrender this Security Instrument and all notes evidencing debt secured by this Security Instrument to Trustee. Trustee shall reconvey the Property without warranty to the person or persons legally entitled to it. Such person or persons shall pay any recordation costs. Lender may charge such person or persons a fee for reconveying the Property, but only if the fee is paid to a third party (such as the Trustee) for services rendered

19. 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.

20. Attorneys' Fees. As used in this Security Instrument and in the Agreement, "attorneys' fees" shall include any attorneys' fees awarded by an appellate court.

BY SIGNING BELOW, 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.

Jerry D Jones -Borrower	John Jana Borrower
Jerry D Jones	Johni D Jones
-Bonower	-Borrower
Owner of Collateral (other than Borrower)	Owner of Collateral (other than Borrower)
	OFFICIAL SEAL
State of Oregon) S.S.	NOTARY PUBLIC-OREGON COMMISSION NO. A 380967 MY COMMISSION EXPIRES JAN. 25, 2000
County of Klaynath	245 July 4
This instrument was acknowledged before me on May 28,	2008, 2008 by Jerry
Johni Jones	
SEAL Detult Bum	
No	OT RY PUBLIC
My Commission expires: 15, 2	069

EXHIBIT A

PARCEL 1
A TRACT OF LAND SITUATED IN THE NORTHEAST 1/4 OF SECTION 20,
TOWNSHIP 39 SOUTH, RANGE 11 1/2 EAST OF THE WILLAMETTE
MERIDIAN, KLAMATH COUNTY OREGON, AND BEING A PORTION OF LOT
2, PARCEL 1, AS SHOWN ON RECORDED SURVEY NUMBER 1447, AS
RECORDED IN THE OFFICE OF THE KLAMATH COUNTY SURVEYOR, MORE
PARTICULARLY DESCRIBED AS FOLLOWS:

BEGINNING AT THE NORTHEAST CORNER OF SAID LOT 2, PARCEL 1, AS MARKED BY A 1/2 INCH IRON PIN, FROM WHICH THE NORTHEAST CORNER OF SAID SECTION 20 BEARS EAST 320.00 FEET AND NORTH 00 DEGREES 41 MINUTES 55 SECONDS WEST, 1840.14 FEET; THENCE WEST ALONG THE NORTH LINE OF SAID LOT 2, PARCEL 1, 198.00 FEET; THENCE SOUTH 220.00 FEET TO A 1/2 INCH IRON PIN; THENCE EAST 207.85 FEET TO A 1/2 INCH IRON PIN ON THE EAST LINE OF SAID LOT 2, PARCEL 1; THENCE NORTH 02 DEGREES 33 MINUTES 50 SECONDS WEST 220.22 FEET TO THE POINT OF BEGINNING, WITH BEARINGS BASED ON SAID RECORDED SURVEY NUMBER 1447.

TOGETHER WITH A 16 FOOT EASEMENT FOR INGRESS AND EGRESS DESCRIBED AS FOLLOWS: AN EASEMENTM, 6 FEET IN WIDTH, FOR INGRESS AND EGRESS SITUATED IN THE NORTHEAST 1/4 OF SECTION 20, TOWNSHIP 39 SOUTH, RANGE 11 1/2 EAST OF THE WILLAMETTE MERIDIAN, KLAMATH COUNTY, OREGON AND BEING A PORTION OF LOT 2, PARCEL 1, AS SHOWN ON RECORDED SURVEY NUMBER 1447, AS RECORDED IN THE OFFICE OF THE KLAMATH COUNTY SURVEYOR, THE CENTERLINE OF WHICH IS MORE PARTICULARLY DESCRIBED AS FOLLOWS:

BEGINNING AT THE NORTHEAST CORNER OF SAID SECTION 20, THENCE SOUTH 00 DEGREES 41 MINUTES 55 SECONDS EAST, ALONG THE EASTERLY BOUNDARY OF SAID SECTION 20, 1840.14 FEET; THENCE WEST 320.00 FEET, TO THE NORTHEAST CORNER OF SAID LOT 2, PARCEL 1; THENCE WEST 198.00 FEET; THENCE SOUTH 220.00 FEET;

37397946

JONES
37397946
FIRST AMERICAN ELS
OPEN END DEED OF TRUST

OR

EXHIBIT A (continued)

THENCE EAST 78.00 FEET, TO THE TRUE POINT OF BEGINNING OF THIS DESCRIPTION; THENCE ALONG THE CENTERLINE OF AN EXISTING DRIVEWAY THE FOLLOWING COURSES AND DISTANCES, SOUTH 10 DEGREES 03 MINUTES 30 SECONDS WEST 19.12 FEET, NORTH 89 DEGREES 42 MINUTES 34 SECONDS WEST 67.04 FEET, SOUTH 59 DEGREES 58 MINUTES 58 SECONDS WEST 35.50 FEET, SOUTH 38 DEGREES 10 MINUTES 33 SECONDS WEST 57.13 FEET, SOUTH 20 DEGREES 28 MINUTES 16 SECONDS WEST 23.68 FEET, SOUTH 13 DEGREES 27 MINUTES 39 SECONDS WEST 25.60 FEET, SOUTH 03 DEGREES 21 MINUTES 12 SECONDS WEST 203.61 FEET, SOUTH 38 DEGREES 02 MINUTES 10 SECONDS WEST 203.61 FEET, AND SOUTH 72 DEGREES 23 MINUTES 27 SECONDS WEST 34.00 FEET, AND SOUTH 72 DEGREES 23 MINUTES 27 SECONDS WEST 22.12 FEET, MORE OR LESS, TO A POINT ON THE WEST BOUNDARY OF SAID LOT 2, PARCEL 1, WITH BEARINGS ON SAID RECORDED SURVEY NUMBER 1447.

TOGETHER WITH THAT CERTAIN EASEMENT TO CROSS THE E CANAL DESCRIBED IN VOLUME M72 AT PAGE 7359, MICROFILM RECORDS OF KLAMATH COUNTY, OREGON.

PARCEL 2: THE FOLLOWING DESCRIBED REAL PROPERTY IS SITUATED IN LOT 2, PARCEL 1, SECTION 20, TOWNSHIP 39 SOUTH, RANGE 11 1/2 EAST OF THE WILLAMETTE MERIDIAN, KLAMATH COUNTY, OREGON.

BEGINNING AT THE NORTHEAST CORNER OF SAID SECTION 20; THENCE SOUTH 00 DEGREES 41 MINUTES 55 SECONDS EAST ALONG THE EAST LINE OF SAID SECTION 20 A DISTANCE OF 1840.14 FEET; THENCE WEST 320.00 FEET TO THE TRUE POINT OF BEGINNING OF THIS DESCRIPTION; THENCE CONTINUING WEST 326.05 FEET THENCE SOUTH 760.00 FEET TO THE NORTH LINE OF THE COUNTY ROAD RIGHTS-OF-WAYS; THENCE EASTERLY ALONG SAID NORTH LINE ON THE ARC OF A CURVE TO THE RIGHT 355.33 FEET; THENCE NORTH 02 DEGREES 33 MINUTES 50 SECONDS WEST 795.60 FEET TO THE TRUE POINT OF BEGINNING OF THIS DESCRIPTION, EXCEPTING THEREFROM THE FOLLOWING DESCRIBED PARCEL:

37397946

EXHIBIT A (continued)

A TRACT OF LAND SITUATED IN THE NORTHEAST 1/4 OF SECTION 20, TOWNSHIP 39 SOUTH, RANGE 11 1/2 EAST OF THE WILLAMETTE MERIDIAN, KLAMATH COUNTY, OREGON, AND BEING A PORTION OF LOT 2, PARCEL 1, AS SHOWN ON RECORDED SURVEY NUMBER 1447, AS RECORDED IN THE OFFICE OF THE KLAMATH COUNTY SURVEYOR, MORE PARTICULARLY DESCRIBED AS FOLLOWS:

BEGINNING AT THE NORTHEAST CORNER OF SAID LOT 2, PARCEL 1, AS MARKED BY A 1/2 INCH IRON PIN, FROM WHICH THE NORTHEAST CORNER OF SAID SECTION 20 BEARS EAST 320.00 FEET AND NORTH 00 DEGREES 41 MINUTES 55 SECONDS WEST 1840.14 FEET; THENCE WEST, ALONG THE NORTH LINE OF SAID LOT 2, PARCEL 1, 198.00 FEET; THENCE SOUTH 220.00 FEET TO A 1/2 INCH IRON PIN; THENCE EAST 207.85 FEET TO A 1/2 INCH IRON PIN ON THE EAST LINE OF SAID LOT 2, PARCEL 1; THENCE NORTH 02 DEGREES 33 MINUTES 50 SECONDS WEST 220.22 FEET TO THE POINT OF BEGINNING, WITH BEARINGS BASED ON SAID RECORDED SURVEY NUMBER 1447.

TOGETHER WITH THAT CERTAIN EASEMENT TO CROSS THE E CANAL DESCRIBED IN VOLUME M72 AT PAGE 7359, MICROFILM RECORDS OF KLAMATH COUNTY, OREGON.

SITUATE IN THE COUNTY OF KLAMATH, STATE OF OREGON.

Permanent Parcel Number: R617559

JERRY D. JONES AND JOHNI D. JONES, HUSBAND AND WIFE

20021 NORTH POE VALLEY ROAD, KLAMATH FALLS OR 97603 Loan Reference Number : 1067164-1346257-191444 First American Order No: 37397946 Identifier: FIRST AMERICAN LENDERS ADVANTAGE

