

78457 Vol. 73 Page 8420 Transamerica Title #28-5212
THIS TRUST DEED, made this 29th day of June, 1973, between
JERRY L. VASSALLO AND ROSE M. VASSALLO, Husband and Wife, as Grantor,
TRANSAMERICA TITLE INSURANCE COMPANY, as Trustee,
and FIRST NATIONAL BANK OF OREGON, as Beneficiary.

WITNESSETH:

Grantor irrevocably grants, bargains, sells and conveys to Trustee in trust, with power of sale, the property in
Klamath County, Oregon described as: That portion of Tract 30 of HOMEDALE, described
as follows: Beginning at a point 61.5 feet Northwesterly from the Southwest corner of said tract;
thence Northwesterly 60 feet, along Southwesterly line; thence Northeasterly 300 feet, parallel to
the Northwesterly line of said tract; thence Southeasterly 60 feet along the Northeasterly line;
thence Southwesterly 300 feet to the point of beginning.

which said described real property does not exceed three acres, together with all and singular the tenements, hereditaments and
appurtenances and all other rights thereunto belonging or in anywise now or hereafter appertaining, and the rents, issues and profits
thereof and all fixtures now or hereafter attached to or used in connection with said real estate,

FOR THE PURPOSE OF SECURING PERFORMANCE of each agreement of Grantor herein contained and payment of the
sum of \$8,000.00 with interest thereon according to the terms of a promissory note of even date herewith, payable to
Beneficiary or order and made by Grantor Jerry L. Vassallo and Rose M. Vassallo, Husband and Wife, July 1, 1978.

the final payment of principal and interest thereof, if not sooner paid, to be due and payable

To Protect the Security of this Trust Deed, Grantor agrees:

1. To protect, preserve and maintain said property in good
condition and repair; not to remove or demolish any building or
improvement thereon; not to commit or permit any waste of said
property.

2. To complete or restore promptly and in good and
workmanlike manner any building or improvement which may be
constructed, damaged or destroyed thereon, and pay when due all
costs incurred therefor.

3. To comply with all laws, ordinances, regulations, cove-
nants, conditions and restrictions affecting said property.

4. To keep the buildings now or hereafter on said property
insured against loss by fire and against loss by such other hazards
as the Beneficiary may from time to time require in an amount
not less than the lesser of the indebtedness hereby secured or the
insurable value of said buildings; that such policies shall be issued
by companies satisfactory to the Beneficiary and shall contain
such provisions and shall bear such endorsements as Beneficiary
may require and be payable to Beneficiary; that such policies
shall be delivered to and retained by the Beneficiary and at least
five days prior to the expiration thereof renewal or substitute
policies shall be delivered to Beneficiary; that the proceeds of
payment of any indebtedness thereby secured or to the restora-
tion of any of the property or by release to Grantor and that such
application or release shall not cure or waive default or notice of
default hereunder or invalidate any act done pursuant to such
notice; that the Beneficiary is authorized in the event of any loss
to compromise and settle with any insurance company, to
endorse, negotiate and present for and in the name of the Grantor
any check or draft issued in settlement of any such loss and
receive and to apply the proceeds thereof as herein provided.

5. To keep said premises free from mechanics' liens and to
pay all taxes, assessments and other charges that may be levied or
assessed upon or against said property before any part of such
taxes, assessments and other charges become past due or
delinquent and promptly deliver receipts therefor to Beneficiary;
should the Grantor fail to make payment of any taxes,
assessments, insurance premiums, liens or other charges payable
by Grantor, either by direct payment or by providing Beneficiary
with funds with which to make such payment, Beneficiary may,
at its option, make payment thereof, and the amount so paid,
with interest at the rate of eight per cent per annum together
with the obligations described in paragraphs 7 and 8 of this trust
deed, shall be added to and become a part of the debt secured by
this trust deed, without waiver of any rights arising from breach
of any of the covenants hereof and for such payments, with
interest as aforesaid, the property hereinbefore described, as well
as the Grantor, shall be bound to the same extent that they are
bound for the payment of the obligation herein described, and all
such payments shall be immediately due and payable without
notice, and the non-payment thereof shall, at the option of the
Beneficiary, render all sums secured by this trust deed imme-
diately due and payable and constitute a breach of this trust
deed.

6. To pay to Beneficiary, at the time of payment of each
installment of the indebtedness hereby secured, such amount as
Beneficiary shall estimate to be sufficient to produce, at least one
month prior to the time when payment thereof shall become due,
the amount of (a) taxes, assessments and other governmental
rates and charges against said property, (b) premiums and (c)
insurance against loss or damage to said property and any part of
the indebtedness hereby secured, if Beneficiary carries such
insurance. If the sums so paid shall be less than sufficient for said
purposes, Grantor will also pay, upon demand, such additional
sum as Beneficiary shall deem necessary therefor. If Grantor
desires a "package" plan of insurance which includes coverage in
addition to that required under this Trust Deed, Beneficiary may,
at its option, establish and administer a reserve for that purpose.
If the package plan reserve is not sufficient to pay the renewal
premium on a package plan policy, then Beneficiary may use such
reserve to pay premiums on a policy covering only risks required
to be insured against under this Trust Deed and allow the package
insurance plan to lapse. Beneficiary shall, upon the written
direction of the Grantor, and may, without such direction, apply
sums paid by Grantor and held by Beneficiary to the purposes
aforesaid; but the receipt of such sums shall not, in the absence of

such direction, impose any duty upon Beneficiary to disburse the
same or relieve Grantor from his covenants to pay said obligations
and keep the property insured. Beneficiary may, from time to
time, establish reasonable service charges for the collection and
disbursement of premiums on package type insurance policies.
Beneficiary shall not, whether or not service charges are imposed,
be subject to any liability for failure to transmit any premiums to
any insurer or by reason of any loss growing out of any defect in
any insurance policy.

7. To pay all costs, fees and expenses of this trust, including
the cost of title search as well as the other costs and expenses of
the Trustee incurred in connection with or in enforcing this
obligation, and trustee and attorney's fees actually incurred.

8. To appear in and defend any action or proceeding
purporting to affect the security hereof or the rights or powers of
Beneficiary, or Trustee; and to pay all costs and expenses,
including cost of evidence of title and attorney's fees in a
reasonable sum to be fixed by the court, in any such action or
proceeding in which Beneficiary or Trustee may appear, and in
any suit brought by Beneficiary to foreclose this deed.

It is Mutually Agreed That:

9. In the event that any portion or all of said property shall
be taken under the right of eminent domain or condemnation,
Beneficiary shall have the right, if it so elects, to require that all
or any portion of the monies payable as compensation for such
taking, which are in excess of the amount required to pay all
reasonable costs, expenses and attorney's fees necessarily paid or
incurred by Grantor in such proceedings, shall be paid to
Beneficiary and applied by it first upon any reasonable costs and
expenses and attorney's fees necessarily paid or incurred by
Beneficiary in such proceedings, and the balance applied upon the
indebtedness secured hereby; and Grantor agrees, at its own
expense, to take such actions and execute such instruments as
shall be necessary in obtaining such compensation, promptly
upon Beneficiary's request.

10. At any time and from time to time upon written request
of Beneficiary, payment of its fees and presentation of this deed
and the note for endorsement (in case of full reconveyance, for
the cancellation), without affecting the liability of any person for the
payment of the indebtedness, Trustee may (a) consent to the
making of any map or plat of said property; (b) join in granting
any easement or creating any restriction affecting this deed or the
subordination or other agreement affecting this deed or the lien
or charge thereof; (c) reconvey, without warranty, all or any part
of the property. The Grantee in any reconveyance may be
described as the "person or persons legally entitled thereto," and
the recitals therein of any matters or facts shall be conclusive
proof of the truthfulness thereof. Trustee's fees for any of the
services mentioned in this paragraph shall be \$10.00.

11. Upon any default by Grantor hereunder, Beneficiary
may at any time without notice, either in person, by agent or by
a receiver to be appointed by a court, and without regard to the
adequacy of any security for the indebtedness hereby secured,
enter upon and take possession of said property or any part
thereof, in its own name sue for or otherwise collect the rents,
issues and profits, including those past due and unpaid, and apply
the same, less costs and expenses of operation and collection,
including reasonable attorney's fees upon any indebtedness
secured hereby, and in such order as Beneficiary may determine.

12. The entering upon and taking possession of said prop-
erty, the collection of such rents, issues and profits, or the
proceeds of fire and other insurance policies or compensation or
awards for any taking or damage of the property, and the
application or release thereof as aforesaid, shall not cure or waive
any default or notice of default hereunder or invalidate any act
done pursuant to such notice.

13. Upon default by Grantor in payment of any indebted-
ness secured hereby or in performance of any agreement
hereunder, Beneficiary may declare all sums secured hereby
immediately due and payable by delivery to Trustee of written
notice of default and election to sell the trust property; which
notice Trustee shall cause to be duly filed for record. If
Beneficiary desires said property to be sold, it shall deposit with
Trustee this trust deed and all promissory notes and documents
evidencing expenditures secured hereby, whereupon the Trustee
shall fix the time and place of sale and give notice thereof as then
required by law.

NOTE: The Trust Deed Act provides that the Trustee hereunder must be either an attorney, who is an active member of the Oregon State Bar, a bank,
trust company or savings and loan association authorized to do business under the laws of Oregon or of the United States, or a title insurance
company authorized to insure title to real property under the provisions of ORS Chapter 728, its subsidiaries, affiliates, agents or branches.

14. If after default and prior to the time and date set by the Trustee for the Trustee's sale, the Grantor or other person so privileged by ORS 86.760 pays the entire amount then due under the terms of the trust deed and the obligation secured thereby, other than such portion of the principal as would not then be due had no default occurred, and the Grantor or other person making such payment shall also pay to the Beneficiary all of Beneficiary's costs and expenses incurred up to said time in enforcing the terms of the obligation, including Trustee's and Attorney's fees not exceeding \$50 if actually incurred, such default shall thereby be cured.

15. After the lapse of such time as may then be required by law following the recordation of said notice of default and the giving of said notice of sale, Trustee shall sell said property at the time and place fixed by it in said notice of sale, either as a whole or in separate parcels, and in such order as it may determine, at public auction to the highest bidder for cash in lawful money of the United States, payable at the time of sale. Trustee shall deliver to the purchaser its deed in form as required by law conveying the property so sold, but without any covenant or warranty, express or implied. The recitals in the deed of any matters or facts shall be conclusive proof of the truthfulness thereof. Any person, excluding the Trustee, but including the Grantor and Beneficiary, may purchase at the sale.

16. When Trustee sells pursuant to the powers provided herein, Trustee shall apply the proceeds of sale to payment of (1) the expenses of sale, including a reasonable charge by the Trustee, (2) to the obligation secured by the trust deed, (3) to all persons having recorded liens subsequent to the interest of the Trustee in the trust deed as their interest may appear in order of their priority and (4) the surplus, if any, to the Grantor or to his successor in interest entitled to such surplus.

17. For any reason permitted by law Beneficiary may from time to time appoint a successor or successors to any Trustee named herein or to any successor Trustee appointed hereunder. Upon such appointment, and without conveyance to the successor Trustee, the latter shall be vested with all title, powers and duties conferred upon any Trustee herein named or appointed hereunder. Each such appointment and substitution shall be made by written instrument executed by Beneficiary, containing

IN WITNESS WHEREOF, said Grantor has hereunto set his hand and seal the day and year first above written.

STATE OF OREGON, } ss.
County of Klamath County

June 29, 1973

Personally appeared the above named Jerry L.

Vassallo and Rose M. Vassallo

and acknowledged the foregoing instrument to be

their voluntary act and deed

(SEAL)

Notary Public for Oregon
My commission expires:

My Commission Expires May 5, 1975

reference to this trust deed and its place of record, which, when recorded in the office of the County Clerk or Recorder of the county or counties in which the property is situated, shall be conclusive proof of proper appointment of the Successor Trustee.

18. Trustee accepts this trust when this deed, duly executed and acknowledged is made a public record as provided by law. Trustee is not obligated to notify any party hereto of pending sale under any other deed of trust or of any action or proceeding in which Grantor, Beneficiary or Trustee shall be a party unless such action or proceeding is brought by Trustee.

19. The Grantor covenants and agrees to and with the Beneficiary and those claiming under him that he is lawfully seized in fee simple of said described real property and has a valid, unencumbered title thereto and that he will warrant and forever defend the same against all persons whomsoever.

20. Grantor shall not, without the prior written consent of Beneficiary, transfer Grantor's interest in the property or any part thereof, whether or not the transferee assumes or agrees to pay the indebtedness hereby secured. Upon any application for Beneficiary's consent to such a transfer, Beneficiary may require from the transferee such information as would normally be required if the transferee were a new loan applicant. Beneficiary shall not unreasonably withhold its consent. As a condition of its consent to any transfer, Beneficiary may, in its discretion, impose a service charge not exceeding one percent of the original amount of the indebtedness hereby secured and may increase the interest rate of the indebtedness hereby secured by not more than one percent per annum. If the Grantor shall cease to occupy the property described herein, or if, without the prior written consent of the Beneficiary, there shall be any change in the ownership of said property, the Beneficiary may, at its option, without notice, declare the entire sum secured by this trust deed due and payable.

21. This Deed applies to, inures to the benefit of, and binds all parties hereto, their heirs, legatees, devisees, administrators, executors, successors and assigns. The term Beneficiary shall mean the holder and owner, including pledgee, of the note secured hereby, whether or not named as a beneficiary herein. In construing this deed and whenever the context so requires, the masculine gender includes feminine and/or neuter, and the singular number includes the plural.

Jerry L. Vassallo (SEAL)
Rose M. Vassallo (SEAL)

CORPORATE ACKNOWLEDGMENT

STATE OF OREGON, County of _____ ss.

Personally appeared _____

and _____ who being duly sworn, did say that he, _____

is the _____

and he, _____ is the _____

_____ of _____

a corporation, and that the seal affixed to the foregoing instrument is the corporate seal of said corporation (provided said corporation has such seal) and that said instrument was signed and sealed on behalf of said corporation by authority of its Board of Directors; and he acknowledged said instrument to be its voluntary act and deed.

Before me: _____ (Seal)

Notary Public for Oregon
My commission expires:

TRUST DEED

Grantor
FIRST NATIONAL BANK
OF OREGON

Beneficiary
STATE OF OREGON,
County of Klamath

I certify that the within instrument was received for record on the 2nd day of July, 1973, at 3:33 o'clock P. M., and recorded in book N 73 on page 8420 Record of Mortgages of said County.

Witness my hand and seal of County affixed.

W. D. MILLER
County Clerk - Recorder
By: _____ Deputy
FEE \$ 1.00

Return:
1st Natl Bank
Klamath Falls, Or
601 Main St.

REQUEST FOR FULL RECONVEYANCE

To be used only when obligations have been paid.

TO: _____, Trustee

The undersigned is the legal owner and holder of all indebtedness secured by the foregoing trust deed. All sums secured by said trust deed have been fully paid and satisfied. You hereby are directed, on payment to you of any sums owing to you under the terms of said trust deed or pursuant to statute, to cancel all evidences of indebtedness secured by said trust deed (which are delivered to you herewith together with said trust deed) and to reconvey, without warranty, to the parties designated by the terms of said trust deed the estate now held by you under the same. Mail reconveyances and documents to _____

DATED: _____, 19 _____

FIRST NATIONAL BANK OF OREGON

By _____ Assistant Cashier - Manager

Do not lose or destroy this Trust Deed OR THE NOTE which it secures. Both must be delivered to the trustee for cancellation before reconveyance will be made.