

TRUST DEED

WITNESSETH:

Beginning at an iron pin which lies North 1°05' East along the West 40 line of Lot 3, Section 31, Township 37 South, Range 9 East of the Willamette Meridian, a distance of 483.3 feet from the iron pin which marks the Southwest corner of said Lot 3 and running thence North 26°39' East a distance of 450.5 feet to an iron pin; thence North 63°21' West a distance of 123.75 feet to a point; thence North 16°06' West a distance of 67 feet to a point on the South right-of-way line of the Old Dalles-California Highway; thence in a Westerly direction following the South right-of-way line of the Old Dalles-California Highway a distance of 55 feet to a point which lies on the West 40 line of said Lot 3; thence South 1°05' West along the West 40 line of said Lot 3 a distance of 500 feet, more or less, to the point of beginning, in Lot 3, Section 31, Township 37 South, Range 9 East of the Willamette Meridian.

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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, nor to commit or permit any waste of said property.

3. To comply with all laws, regulations, covenants, conditions and restrictions affecting the property; if the beneficiary so requests, to join in executing the financing statements pursuant to the Uniform Commercial Code; if the beneficiary may require and to pay for and to cause to be made all searches of public records and public office or offices, as well as the cost of all lien searches made by filing officers or searching agencies as may be deemed desirable by the beneficiary; and to cause and continuously maintain insurance on the building.

4. To provide and continuously maintain insurance on the building now or hereafter erected on the said premises against loss or damage by fire and such other hazards as the beneficiary may from time to time require, written in

and such other hazards as the beneficiary may deem to be such, written in an amount not less than \$_____ delivered to the beneficiary as soon as insured policies of insurance _____ for any reason to procure any such insurance, or to deliver said policy to the beneficiary, a loan of _____ to the insured, or to deliver said policy to the beneficiary, or hereafter placed on said building, or on any policy of insurance, or to procure the same at grantor's expense, or to collect under any insurance or shall be hereby and in such order as beneficiary upon any insurance, at option of beneficiary the entire amount so or release such any part thereof, may be released to grantor or to any other person, or to pay any part cure or wages, or to pay any notice of default hereunder or invalidate any such release pursuant to such notice.

not cure or waive any default or notice of default, and the obligation to perform shall not be deemed to have been waived or discharged by the failure to exercise any such right or to act due pursuant to such notice. The obligations of the grantor under mechanics' liens and to pay all taxes, assessments, and other charges that may be levied or assessed upon the property, against and properly before any part of such taxes, assessments, and other charges, shall be the obligations of the grantor, and the grantor shall deliver receipts therefor. If any such taxes, assessments, and other charges become past due or delinquent, the grantor shall be obligated to make payment of any taxes, assessments, and other charges that may be levied or assessed upon the property to the beneficiary; should the taxes, assessments, liens or other charges payable by grantor with respect to the property be not paid by the grantor, the beneficiary shall be obligated to make such payment, or by providing beneficiary with the funds to make such payment, beneficiary may be deemed to have made such payment at the rate set forth in the note secured by the trust deed, and the amount so paid, together with the obligations described in paragraphs 6 and 7 hereof, shall be added to and become a part of the principal balance of the debt secured by the trust deed, without waiver of any right of the beneficiary under the covenants hereof and for the benefit of the beneficiary, as well as the grantor, shall be the obligation hereunder that they are bound for the payment of the principal balance of the debt secured by the trust deed, and all such payments shall be made by the grantor to the beneficiary on or before the date of payment of the principal balance of the debt secured by the trust deed, and the nonpayment of any such payment shall constitute a breach of this trust deed, and the nonpayment of any such payment shall constitute a breach of this trust deed.

6. 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's and attorney's fees.

7. To appear in and defend any action or proceeding purporting to affect the security rights or powers of beneficiary or trustee, and in any such action or proceeding, to appear, in person or by counsel, for and in defense of the beneficiary or trustee, and to pay the costs of such action or proceeding, including the costs of title search as well as the other costs that may be incurred in connection with or in enforcing this obligation, and trustee's and attorney's fees actually incurred.

7. To appear in and answer to any action or proceeding in which the beneficiary or trustee may appear, including the foreclosure of this deed, to pay all costs and expenses, and any suit for the foreclosure of this deed, or trustee's attorney's fees; including evidence of title and the beneficiary's or trustee's attorney's fees mentioned in this paragraph 7, in all cases shall be paid by the beneficiary or trustee, and shall not be a lien against the property.

any suit for the recovery of title or trustee's beneficiary's interest, including evidence of title mentioned in this paragraph 7 in all cases shall amount of attorney's fees mentioned in the event of an appeal from any judgment fixed by the trial court and in the event of an appeal from any judgment decree of the trial court, grantor further agrees to pay such sum as the court may deem reasonable as the beneficiary's or trustee's attorney's fees.

It is mutually agreed that:

8. 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 in compensation for such taking, which are in excess of the amount payable to the owner of said property, be paid to beneficiary, less necessarily paid legal fees and attorney's fees.

right, it is so, to require that all money in excess of the amount required 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 applied by it first upon any reasonable costs and expenses and attorney's fees necessarily paid or incurred by beneficiary in such proceedings, and then to the beneficiary.

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beneficiary in such proceeding, and grantor agrees, at its own expense, to cause to be secured hereby, and grantor agrees, as shall be necessary in obtaining such and execute such instruments as beneficiary's request.

9. At any time and from time to time upon written request of beneficiary, promptly upon beneficiary's request.

10. Payment of its fees and presentation of this deed and the not

The grantor covenants and agrees to and with

fully seized in fee simple of said described real prop

NOTE: The Trust Deed Act provides that the trustee hereunder must be either a savings and loan association authorized to do business under the real property of this state, its subsidiaries, affiliates, agents or bid

endorsement (in case of full reconveyance, for cancellation), without affecting

[illegible][illegible]

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

pursuant to such notice.

Upon receipt by grantor in payment of any indebtedness secured hereby or in his performance of any agreement hereunder, the beneficiary may declare all sums secured hereby immediately due and payable. In such an event, the beneficiary shall have the right to foreclose this trust deed in equity in accordance with the manner provided by law for mortgage foreclosure and sale. In direct the trustee to foreclose this trust deed and the beneficiary shall execute and cause to be recorded a declaration of default and his election to sell said described property as well as a declaration of completion of sale and assignment of proceeds of sale of said property to satisfy the obligations secured hereby. The beneficiary shall fix the time and place of sale, at which time and place he shall appear personally or by attorney to receive the proceeds of sale and proceed to foreclose this trust deed in the manner provided in ORS 86.010 and 86.020.

13. After default at any time prior to five days before the date set by the trustee for the trustee to call, the grantor or other person so privileged by the trust agreement to call the trust, the grantor or his successors in interest, respectively, shall pay to the beneficiary or his successors in interest, respectively, the amount then due under the terms of the trust agreement, and shall also pay to the beneficiary or his successors in interest, respectively, the obligation secured thereby (including costs and expenses of the trustee in enforcing the terms of the obligation secured by the trust agreement and the preceding \$50 each) which shall be paid to the beneficiary or his successors in interest, respectively, within five days after the date of default, and thereby cure the default, in which event the trust shall not be liquidated, and the trustee shall continue to administer the trust in accordance with the terms of the trust agreement.

14. Otherwise, the sale shall be held on the date and at the time at place designated in the notice of sale. The trustee may sell said property either in one parcel or in separate parcels and shall sell the time of sale. Trustee at auction to the highest bidder for cash, payable at the time of sale. Trustee shall deliver to the purchaser its deed in full and complete warranty, express or implied.

auction to the highest bidder for cash, payable in cash, and the purchaser shall deliver to the purchaser its deed in full as required by law concerning the property so sold, but without any covenant or warranty, express or implied. The recitals in the deed of any matters of fact shall be conclusive proof of the truthfulness thereof. Any person, excluding the trustee, but including the purchaser, may purchase at the sale.

15. When trustee sells pursuant to the powers provided herein, trust shall apply the proceeds of sale to payment of (1) the expenses of sale,

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16. For any reason permitted by law beneficiary may from time

16. 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 time appoint a successor or successors to any trustee appointed hereunder. Upon such appointment, and with the consent of the trustee, the latter shall be vested with all the powers and authority of the trustee named or appointed herein. Upon the death of any trustee herein named or appointed, the powers and authority of the trustee shall devolve upon any successor or successors named or appointed herein.

successor trustee appointed hereunder, the latter shall be vested with all the 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 reference to this trust deed and the instrument executed in record which, when recorded in the office of the County Clerk of the County of Los Angeles, shall constitute a record of the appointment and substitution.

hereunder. Each such appointment, containing reference to this trust, shall be in the form of an instrument executed by beneficiary, when recorded in the office of the County Clerk or 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.

17. Trustee accepts this trust when this deed, duly executed and acknowledged is made a public record as provided by law. Trustee is obligated to notify any party hereto of pending sale under any other deed or of any action or proceeding in which grantor, beneficiary or trust or of any action or proceeding in which grantor, beneficiary or trust is a party or in which a claim is brought by trustee.

acknowledged, obligated to notify any party hereto of pending suits, actions or proceedings in which grantor, beneficiary or trustee 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

the beneficiary and those claiming under him, that he is the owner of the property and has a valid, unencumbered title thereto

erty and has a valid, unencumbered title thereon.

an attorney, who is an active member of the Oregon State Bar, or
laws of Oregon or the United States, or a title insurance company authorized to insure t
ches.

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and that he will warrant and forever defend the same against all persons whomsoever.

The grantor warrants that the proceeds of the loan represented by the above described note and this trust deed are:
(a)* primarily for grantor's personal, family, household or agricultural purposes (see Important Notice below),
(b) for an organization, or (even if grantor is a natural person) are for business or commercial purposes other than agricultural purposes.

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

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

* IMPORTANT NOTICE: Delete, by lining out, whichever warranty (a) or (b) is not applicable; if warranty (a) is applicable and the beneficiary is a creditor or such word is defined in the Truth-in-Lending Act and Regulation Z, the beneficiary MUST comply with the Act and Regulation by making required disclosures; for this purpose, if this instrument is to be a FIRST lien to finance the purchase of a dwelling, use Stevens-Ness Form No. 1305 or equivalent; if this instrument is NOT to be a first lien, use Stevens-Ness Form No. 1306, or equivalent. If compliance with the Act not required, disregard this notice.

(If the signer of the above is a corporation, use the form of acknowledgment opposite.)

(ORS 93.490)

STATE OF OREGON, }
County of Klamath } ss.
May 14, 19 74
Personally appeared the above named Kermit J. Halaas and Wilma V. Halaas
and acknowledged the foregoing instrument to be their voluntary act and deed.

Before me,
(OFFICIAL SEAL)
Notary Public for Oregon
My commission expires: 8 5 75

STATE OF OREGON, County of } ss.
19
Personally appeared
each for himself and not one for the other, did say that the former is the president and that the latter is the secretary of

a corporation,
and that the seal affixed to the foregoing instrument is the corporate seal of said corporation and that said instrument was signed and sealed in behalf of said corporation by authority of its board of directors; and each of them acknowledged said instrument to be its voluntary act and deed.

Before me:
Notary Public for Oregon
My commission expires: (OFFICIAL SEAL)

TRUST DEED
(FORM No. 881)

Grantor

Beneficiary

STATE OF OREGON
County of Klamath } ss.
I certify that the within instrument was received for record on the 15th day of MAY, 19 74, at 1:22 o'clock P.M., and recorded in book N 74 on page 6063 or as file number 88938, Record of Mortgages of said County. Witness my hand and seal of County affixed.

M. D. WILKE

COUNTY CLERK

Title
By Hazel D. Dugan, Deputy

SEE 3 4.00

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 reconveyance and documents to

DATED: _____, 19 _____

Beneficiary

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.