

TRUST DEED

WITNESSETH:

LOT 8 in BLOCK 4 of Tract No. 1093, Pinecrest, according to the official plat thereof on file in the office of the County Clerk of Klamath County, Oregon

purtenances and all other rights incident thereto, 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 Eight thousand dollars and 00/100----- Dollars, with interest thereon as provided herein, made by grantor, the

thereon according to the terms of a promissory note of even date herewith, payable to beneficiary or order, and when by
final payment of principal and interest hereof, if not sooner paid, to be due and payable December 19 85.

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 permit 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, covenants, conditions and restrictions affecting said property; if the beneficiary so requests, to join in executing such financing statements pursuant to the Uniform Commercial Code and to pay for filing same in the

cial Code as the beneficiary may require and to pay for filing same in the proper 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

4. To provide and continuously maintain insurance on the buildings 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, in

an amount not less than \$ _____, written in
companies acceptable to the beneficiary, with loss payable to the latter; all
beneficiary as soon as insured.

if the grantor shall fail for any reason to procure any such insurance and to deliver said policies to the beneficiary at least fifteen days prior to the expiration of said policies of insurance now or hereafter placed on said buildings.

tion of any policy of insurance now or hereafter placed on said buildings, the beneficiary may procure the same at grantor's expense. The amount collected under any fire or other insurance policy may be applied by beneficiary singly upon any indebtedness secured hereby and in such order as beneficiary

may determine, or at option of beneficiary the entire amount so collected, or any part thereof, may be released to grantor. Such application or release shall not cure or waive any default or notice of default hereunder or invalidate any

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 premises.

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, liens or other charges payable by grantor, either

ments, 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 set forth in the note secured by the mortgage, shall be paid to the beneficiary.

and the amount so paid, with interest at the rate set forth in Article 10 of this deed, shall be added to and become a part of the debt secured by this trust deed, together with the obligations described in paragraphs 6 and 7 of this trust deed, without waiver of any rights arising from breach of any of the provisions of this deed, and, with interest at the rate herein provided, the promisor shall pay to the promisee, or to the assignee of the promisee, the sum of

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 hereinbefore described, and the same shall be immediately due and payable with

described, and all such payments shall be immediately due and payable without notice, and the nonpayment thereof shall, at the option of the beneficiary, render all sums secured by this trust deed immediately due and payable and 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

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 suit or action in which the trust or any of its trustees may appear, including

action or proceeding in which the beneficiary or trustee may appear, including any suit for the foreclosure of this deed, to pay all costs and expenses, including evidence of title and the beneficiary's or trustee's attorney's fees; that in any such suit or proceeding the trustee shall be deemed to represent the beneficiary.

amount of attorney's fees mentioned in this paragraph 7 in all cases shall be fixed by the trial court and in the event of an appeal from any judgment or decree of the trial court, grantor further agrees to pay such sum as the appellate court shall adjudge 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 as compensation for such taking, which are in excess of the amount required to be paid by the Government, be paid to the beneficiary.

as compensation for such taking, which are necessary 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.

both in the trial and appellate courts, 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 action as may be necessary in obtaining such court orders.

9. At any time and from time to time upon written request of beneficiary, payor shall make payment of its fees and presentation of this deed and the note.

The grantor covenants and agrees to and with

fully seized in fee simple of said described real proper

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

endorsement (in case of full reconveyance, for 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 thereon; (c) join in any subordination or other agreement affecting the priority of the mortgage; (d) join in any deed or any part of the property. The person or persons who are to execute the deed of 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 same. The consideration for the deed of reconveyance shall not be less than \$5.

10. Upon any default by grantor hereunder, beneficiary may at any time without notice, either in person, its agent or its attorney-in-fact, appoint by deed a receiver to be appointed by a court, and said receiver shall have full authority to take possession of all real and personal property of the indebtedness secured hereby, enter upon and take possession of said property, sell same as provided herein, collect the proceeds thereof, and apply the same to the satisfaction of the indebtedness secured hereby; and he or she shall also have authority to sue thereon, in his or her own name, for or otherwise collect the rents, issues and profits, including those past due and unpaid, and apply the same to the satisfaction of the indebtedness secured hereby; and he or she shall also have authority to incur such costs and expenses of operation and collection, including reasonable attorney's fees upon any indebtedness secured hereby, and in such order as beneficiary may direct.

11. The entering upon and taking possession of said property, the collection of such rents, issues and profits, or the proceeds of life 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.

12. Upon default 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 at his election may proceed to foreclose this trust deed in equity as a mortgage in the manner provided by law for mortgage foreclosures or direct the trustee to foreclose this trust deed by advertisement and sale. I, the undersigned, as beneficiary or the trustee shall execute and cause to be

the latter event the beneficiary or the trustee shall execute and cause to be recorded his written notice of default and his election to sell the said described real property to satisfy the obligations secured hereby, whereupon the trustee shall fix the time and place of sale, give notice thereof as then required by law and proceed to foreclose this trust deed in the manner provided in OR 86.740 to 86.795.

13. After default at any time prior to five days before the date set for the trustee for the trustee's sale, the grantor or other person so privileged by ORS 86.760, may pay to the beneficiary or his successors in interest, respectively, the entire amount then due under the terms of the trust deed and the obligation secured thereby (including costs and expenses actually incurred in enforcing the terms of the obligation and trustee's and attorney's fees not exceeding \$50 each) other than such portion of the principal as would not have been paid thereby were the default in which ever

14. Otherwise, the sale shall be held on the date and at the time and 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 parcel or parcels at auction to the highest bidder for cash, payable at the time of sale. Trust

15. When trustee sells pursuant to the powers provided herein, 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 of fact shall be conclusive proof of the truthfulness thereof. Any person, excluding the trustee, but including the grantor and beneficiary, may purchase at the sale.

shall apply the proceeds of sale to payment of (1) the expenses of sale, including the compensation of the trustee and a reasonable charge by trustee or attorney, (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 interests may appear in the order of their priority and (4) the surplus, if any, to the grantor or to his successor in interest entitled to such surplus.

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 a successor trustee appointed hereunder. Upon such appointment, and without conveyance to the successor trustee, 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.

instrument executed by beneficiary containing reference to this trust 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.

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.

the beneficiary and those claiming under him, that he is la

an attorney, who is an active member of the Oregon State Bar, a bank, trust company, or other financial institution, or a title insurance company authorized to insure title in Oregon or the United States, or a title insurance company authorized to insure title in Oregon or the United States.

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 the United States, or a title insurance company authorized to insure title to real property of this state, its subsidiaries, affiliates, agents or branches.

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 the purpose of ~~the purchase of a dwelling, use Stevens-Ness Form No. 1305 or equivalent;~~

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

December 9th, 1975

Personally appeared the above named
GARY L. DALTON & KATHY DALTON

and acknowledged the foregoing instrument to be their voluntary act and deed.

(OFFICIAL
SEAL)

Before me:

Notary Public for Oregon

My commission expires: 8-7-79

STATE OF OREGON, County of

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

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
I certify that the within instrument was received for record on the 9th day of DECEMBER, 1975, at 4:22 o'clock P.M., and recorded in book N. 75 on page 15510 or as file number 8030.
Record of Mortgages of said County.
Witness my hand and seal of County affixed.

W. D. MILNE

COUNTY CLERK

Title

By *[Signature]* Deputy

STEVENS-NESS LAW PUB. CO., PORTLAND, ORE.

FEE \$ 6.00

[Signature] 1511

[Signature]

After recording return to
Martin Development Corp
240 Stockton St.
San Francisco, Calif. 94108

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.