

## TRUST DEED

Vol. <sup>m</sup>78 Page 13619

50661

WITNESSETH:

Grantor irrevocably grants, bargains, sells and conveys to trustee in trust, with power of sale, the property in KLAMATH County, Oregon, described as:

Lot 17 in Block 14 OREGON SHORES SUBDIVISION-Tract #1053, in the County of Klamath, State of Oregon, as shown on the map filed on October 3, 1973, in Volume 20, pages 21 and 22 of MAPS in the office of the County recorder of said County.

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 THREE THOUSAND TWO HUNDRED FORTY \$91,100.00 dollars, with interest

[illegible]

The above described real property is not currently used for:

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;

2. To complete or restore promptly and in good and workmanlike manner any building or improvement all costs incurred therefor.

[illegible]

any part thereof, may be released to grantor, or notice of default hereunder or invalidate any cure or waive any default without notice.

5. To keep premises free from construction 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 directly or indirectly, to the beneficiary with funds with which to do so by direct payment or by check, the beneficiary may, at its option, make payment thereof and the amount so paid, with interest at the rate set forth in Article 6 and 7 of this hereby, together with the obligations described in paragraph 6 and 7 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 or with interest as aforesaid; the provisions hereof and for such payments, as well as the grantor, shall be bound to the party hereinbefore described, as well as the payment of the obligation hereto in any extent that they are bound to be immediately due and payable if not otherwise described, and all such payments shall be immediately due and payable if not otherwise described, and all nonpayment thereof shall, at the option of the beneficiary, constitute a default under this trust deed, and the sum so secured by this trust deed immediately due and payable and

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

of title search as well as the other costs of the obligation and trustee's and attorney's fees shall be paid by the beneficiary in connection with or in enforcing this obligation and trustee's and attorney's fees actually incurred.

7. To defend, prosecute and defend any action or proceeding purporting to affect the security rights or powers of beneficiary or trustee may appear, including action or proceeding in which the beneficiary or trustee may appear, including any suit for the foreclosure of the deed, to pay all costs and expenses, including evidence of title, the beneficiary or trustee's attorney's fees, and the amount of a sale of the property mentioned in this paragraph in full payment of the costs of 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 sums as the appellate court shall adjudge reasonable as the beneficiary's or trustee's attorney's fees and costs of appeal.

on such appeal,

8. In the event that any portion of all said property shall be taken under the right of eminent domain or condemnation, beneficiary shall have the right, if it so elects, to take such action as may be necessary and proper to protect its right, if it so elects, for such taking, which are in excess of the amount awarded as compensation for such taking, which are in excess of the amount awarded as compensation for 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, both in the trial and appellate courts, necessarily paid or incurred by the fiduciary in such proceedings, and the balance applied upon the indebtedness of beneficiary hereunder; 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 the beneficiary's request.

9. At any time and from time to time upon written demand of the beneficiary, payment of its fees and presentation of this deed and the note for endorsement (in case of full reconveyances, 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 act or document affecting this deed or the lien or charge thereon; (d) secure or release any mortgage or other lien on all or any part of the property; (e) execute any instrument or documents required to carry out the purposes granted hereunder; and (f) reconveyance may be described as the "person or persons legally entitled thereto," and the recitals therein of any matter or fact shall conclusively prove the truthfulness thereof. Trustee's fees for any of the foregoing shall be paid by the grantor at the time of payment of the \$50,000.

10. Upon any bill of exchange or promissory note payable to the order of the grantor hereunder, beneficiary may at any time without recourse to the grantor hereunder, by agent or by a receiver to be named by the beneficiary, sue or cause to be sued, appointed by a court, and without regard to the adequacy of the assets of the grantor hereunder, the assignor of said promissory note or the payee of said promissory note, for the amount of the indebtedness hereby secured, enter upon the name of the grantor hereunder, sue or otherwise collect the same, and any part thereof, and the interest thereon, and the costs and expenses of operation and collection, including reasonable attorney's fees and expenses of operation and collection, including reasonable attorney's fees upon any indebtedness secured hereby, and in such order as beneficiary may deem proper.

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 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

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, and if the above described real property is currently used for agricultural, timber or grazing purposes, the beneficiary may proceed to foreclose its deed of equity as a mortgage in the manner provided by law for mortgage foreclosures. However if said real property is not currently used, the beneficiary at his election may proceed to foreclose this trust deed in equity as a mortgage or direct the trustee to foreclose this trust deed by advertisement and sale. In the latter case the beneficiary or the trustee shall execute and cause to be recorded his written notice of default and his election to foreclose upon the trustee shall fix the time and place of sale. The notice thereof as then required by law and proceed to foreclose this trust deed in the manner pro-

13. Should the beneficiary elect to foreclose by advertisement and sale under the power of sale contained in the deed, the beneficiary shall, after then alter and on any time prior to live days before the date set by the advertisement for the sale, pay to the grantor or other person named in the advertisement, or to the trustee or sale, the amount of the principal of the debt, interest, respectively, OR \$66,760, may pay to the beneficiary the amount of the principal of the debt, interest, the entire amount of the principal of the debt, interest, and the obligation of the second mortgage (including costs and expenses actually incurred in the foreclosure of the mortgage) and the amount of the principal of the debt, including the terms of the obligation and trustee's sale, and the amount of the obligation of the second mortgage (including costs and expenses actually incurred in the foreclosure of the mortgage) not exceeding \$50 each) other than such portion of the principal as would not then remain due and payable, thereby cure the default, in which event

[illegible]

15. When trust property is sold or otherwise disposed of in pursuance of the powers provided herein, trustee shall apply the proceeds of sale to payment of (1) the expenses of the trust, (2) the interest of the trust, (3) to all persons entitled to the compensation of the trustee and a reasonable fee to the trustee's attorney, (4) to the obligation secured by the trust, (5) to all persons having recorded liens or claims against the trust property, and (6) to the principal of the trust. The order of payment shall appear in the order of their priority as herein described, and the trustee or his successor in interest, entitled to such payment, if any, to the grantor or to his successor in interest entitled to such payment.

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 trustee appointed hereunder. Upon such appointment, and with all title, interest, powers and duties conferred upon the trustee herein named or appointed, the trustee named or appointed hereunder shall be named by written instrument and substitution shall be made by written instrument and executed by beneficiary, containing reference to the office of the County and its place of record, which, when recorded, shall be in the office of the County.

instrument executed by beneficiary, when recorded in the office of the County Clerk or Recorder of said county or counties in which the property is situated shall be conclusive proof of proper appointment of the successor trustee. If the Trustee accepts this trust when this deed, duly executed and acknowledged is made a public record as provided by law, the Trustee is not obligated to notify any party hereto of pending action under any other deed or trust or of any action or proceeding in which the grantor, beneficiary or trustee shall be a party unless such action or proceeding is brought by trustee.

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

7219-00399

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.

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 and seal, and year first above written.

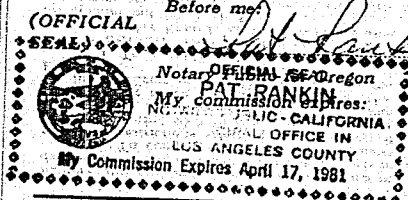
\* IMPORTANT NOTICE: Delete, by lining out, whichever warranty (a) or (b) is not applicable; if warranty (a) is applicable and the beneficiary is a creditor or such word is defined in the Truth-in-Lending Act and Regulation Z, the beneficiary MUST comply with the Act and Regulation by making required 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.)

STATE OF OREGON, California } ss.  
County of Los Angeles }  
May 5, 1978

Personally appeared the above named  
Robert H. Markham and  
Kari J. Markham

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



(ORS 93.490)

STATE OF OREGON, California } ss.  
County of Los Angeles }  
May 5, 1978

Personally appeared Robert H. Markham and  
Kari J. Markham, who, being duly sworn,  
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)

#### 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.

### TRUST DEED

(FORM No. 681)

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

ROBERT H. MARKHAM

KARI J. MARKHAM

Grantor

WELLS FARGO REALTY SERVICES INC.,

Beneficiary

AFTER RECORDING RETURN TO

WELLS FARGO REALTY SERVICES INC.,

572 E. GREEN ST.  
PASADENA, CA 91101

SPACE RESERVED  
FOR  
RECORDER'S USE

STATE OF OREGON

County of Klamath

I certify that the within instrument was received for record on the  
26th day of June, 1978,  
at 1:38 o'clock P.M., and recorded  
in book M78 on page 13619 or  
as file/reel number 50661.

Record of Mortgages of said County.  
Witness my hand and seal of  
County affixed.

Wm. D. Milne

County Clerk

Title

By Berntha H. Lettich Deputy

Fee \$6.00