

_____, 1978_____, between
_____, as Grantor,
_____, as Trustee,
_____, as Beneficiary,

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

SUBJECT to any and all easements and rights of way of record.

purtenances and all other rights thereunto belonging or in anywise connected therewith, together with all fixtures now or hereafter attached to or used in connection with said real estate, 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 NINE THOUSAND AND NO/100 - - - - - Dollars; with interest thereon according to the terms of a promissory note of even date herewith, payable to beneficiary or order and made by grantor, the final payment of principal and interest hereof, if not sooner paid, to be due and payable July 13, 1983.

Endorsement (in case of full reconveyance, for cancellation), without affecting the validity of the foregoing provisions of this instrument.

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, and to pay therefor 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 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 beneficiary.

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

and such other hazards as the Beneficiary may deem proper, written in an amount not less than \$9,000.00, to be paid by the latter, all companies acceptable to the beneficiary, with loss payable to the beneficiary, of insurance shall be delivered to the beneficiary as soon as insured, and if the grantor shall fail for any reason to procure the same within ten days prior to the expiration of said policy, the beneficiary may hereafter place on said buildings and contents thereof any policy of insurance now or hereafter placed on said buildings and contents thereof, and may procure the same at grantor's expense. The beneficiary may collect under any fire or other insurance policy may be applied for by beneficiary, and may determine, or at option of the beneficiary, the entire amount so collected, or any part thereof, may be released to the grantor. Such application or release shall not cure or void any default or notice of default hereunder or invalidate any claim of the beneficiary to such notice.

[illegible]

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 actually incurred. and taking any action or proceeding purporting

in connection with or in enforcing the said lease actually will or may be required 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 in which the beneficiary or trustee may appear, including any suit for the foreclosure of the beneficiary's or trustee's attorney's fees, including evidence of the said fees, to pay all costs and expenses, the amount of attorney's fees mentioned in this paragraph 7, in all cases shall be fixed by the court and in the event of an appeal from any judgment rendered by the 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 on such appeal.

It is mutually agreed that:

[illegible]

9. 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 cancellation), without affecting the liability of any person for the payment of the indebtedness, trustee may
(a) consent to the assignment of any title or plot of said property; (b) join in any deed or conveyance or agreement or creating any restriction thereon; (c) join in any mortgage or other instrument affecting this deed; (d) execute any document of subordination or other agreement affecting this deed as part of the property. The trustee shall have no authority to sell, lease, assign, convey, encumber, or otherwise dispose of the property.
(e) receive any rents, profits, or income from the property and pay the same to the person or persons entitled thereto; (f) execute any deed or conveyance or agreement or document legally entitled thereto," and the recitals thereof in any matters or facts shall be the conclusive proof of the truthfulness of such statements, hereon less than \$5.

[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 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 due and payable, the beneficiary may declare all sums secured hereby immediately due and foreclose this trust deed in equity without notice to the grantor. His election may proceed to foreclose this trust deed as a mortgage in the manner provided by law for mortgage foreclosure and sale. In direct the trustee to foreclose this trust deed, the trustee shall execute and cause to be filed in the county of Los Angeles County California a notice of sale and advertisement in the latter entitled "Notice of Sale of Real Property Secured by Trust Deed". The trustee shall file his written notice of default and his election to sell the said described real property to satisfy the obligations secured hereby. The grantor agrees that the trustee shall file the notice and pay the costs thereof as then required by ORS chapter 86, section 740 to 86,795.

86.740 to 86.795.

13. After default at any time prior to five days before the date set by the trustee for the trustee's sale, the grantor or other person so privileged by the ORS 86.760, may pay to the beneficiary or his successors in interest, respectively, the entire amount due under the terms of the trust deed and the costs of enforcing the terms of the obligation and trustee's and mortgagor's expenses (including costs and expenses actually incurred in enforcing the terms of the obligation and trustee's and mortgagor's expenses exceeding \$50 each) other than such portion of the trust payments as would not then be due had no default occurred, and thereby cure the default, in which event the costs and expenses of proceedings shall be dismised by the trustee.

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 lots, and shall sell the parcel or parcels at the time and place to the highest bidder for cash, payable at the time of sale. Trustee shall deliver to the purchaser its deed in form as required by law for the property so sold, but without any warranty of title. The trustee's sale shall be conclusively presumed to be a sale in good faith and for the best interests of the beneficiaries of the trust, and the truthfulness thereof. Any person, excluding the trustee, but including the grantor and beneficiary, may purchase at the sale. The terms and conditions provided herein, trustee shall be deemed to be a part of the deed of sale.

15. When trustee sells pursuant to the powers expressed herein, trustee shall apply the proceeds of sale to payment of (1) the expenses of sale, including the compensation of the trustee and any reasonable charge by trustee's attorney, (2) to the obligation of the trust to pay taxes payable by the trust or its beneficiaries, (3) to the interest of the trustee in the trust having priority over the interests of all other beneficiaries, and (4) to the interests of the beneficiaries subsequent to the interest of the trustee and the trust. If there is a 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 any successor trustee appointed hereunder. Upon such appointment, and without powers and duties devolving upon any trustee herein named or appointed hereunder, the trust herein created and the property therein comprised shall be transferred to the trustee so appointed and substitution shall be made by written instrument executed by beneficiary, containing 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 the 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 shall be 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.

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

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 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.)

Henry J. Caldwell Jr.

STATE OF OREGON,

(ORS 93.490)

County of Klamath

July 13

19 78

Personally appeared the above named
Henry J. Caldwell, Jr.

and acknowledged the foregoing instrument as his voluntary act and deed.



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.

Notary Public for Oregon
My commission expires:

(OFFICIAL SEAL)

TRUST DEED

(FORM No. 881)

HENRY J. CALDWELL, JR.

MARTHA NAIL

STATE OF OREGON

County of Klamath
I certify that the within instrument was received for record on the 13th day of July, 1978 at 3:45 o'clock P.M., and recorded in book M78 on page 15082 or as file number 51629. Record of Mortgages of said County. Witness my hand and seal of County affixed.

Wm. D. Milne

County Clerk

By Martha Nail Deputy

Investors Mortgage Co.
P.O. Box 515
Stayton, OR 97143

TOWN & COUNTRY MORTGAGE & INVESTMENT, INC.
928 KLAMATH AVENUE
KLAMATH FALLS, OR 97603

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: July 13, 1978

19

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