

TRUST DEED

THIS TRUST DEED, made this 24 day of MAY, 19 78, between JAMES R. GURST AND M. JUANNA GURST, HUSBAND AND WIFE AS GRANORS WITH AUTHORITY, TRANSAMERICA TITLE INSURANCE COMPANY, a CALIFORNIA CORPORATION as Trustee, and WELLS FARGO REALTY SERVICES, INC., a CALIFORNIA CORPORATION, TRUSTEE 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:

Lot 30 in Block 28 of Tract 1113-Oregon Shores-Unit 2 as shown on the map filed on December 9, 1977 in Volume 21, Page 20 of Maps in the office of the County Recorder of said County.

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together with all and singular the tenements, hereditaments and appurtenances and all other rights thereunto belonging or in anywise now or hereafter accruing, 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 FOUR THOUSAND 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 June 20, 1988.

The date of maturity of the debt secured by this instrument is the date, stated above, on which the final installment of said note becomes due and payable. In the event the within described property, or any part thereof, or any interest therein is sold, agreed to be sold, conveyed, assigned or alienated by the grantor without first having obtained the written consent or approval of the beneficiary, then, at the beneficiary's option, all obligations secured by this instrument, irrespective of the maturity dates expressed therein, or herein, shall become immediately due and payable.

The above described real property is not currently used for agricultural, timber or grazing purposes. To protect the security of this trust deed, grantor agrees:

- 1. To protect, preserve and maintain said property in good condition and repair...
2. To complete or restore promptly and in good and workmanlike manner any building or improvement...
3. To comply with all laws, ordinances, regulations, covenants, conditions, and restrictions...
4. To provide and continuously maintain insurance on the buildings now or hereafter erected...
5. To keep said premises free from construction liens and to pay all taxes...
6. To pay all other costs and expenses of this trust including the cost of title search...
7. To appear in and defend any action or proceeding purporting to affect the security right or powers of beneficiary or trustee...
8. In the event that any partition or all of said property shall be taken under the right of eminent domain...
9. At any time and from time to time upon written request of beneficiary, the payment of its fees and presentation of this deed and the note for endorsement...

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, 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.

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