SECT. TRUST DEED Vol. M78 Page 17331

THIS TRUST DEED made this 20 day of [illegible], 19 78 between [illegible] as Grantor, [illegible] 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 [illegible] of Tract 1112 "Angel Springs" as shown on the map filed on December 9, 1977 in Volume 31, Page 23 of Maps in the office of the County Recorder of said County.

[illegible]

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 premises.

FOR THE PURPOSE OF SECURING PERFORMANCE of each agreement of Grantor herein contained and payment of the sum of Four Thousand Eight Hundred 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 May 25 19 88.

[illegible]

[illegible]

[illegible]

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The grantor covenants that the proceeds of the loan represented by the above described note and this trust deed are (or will be) used by the grantor primarily for business or commercial purposes (see Important Notice below).

This trust deed shall further secure the beneficiary hereunder for such further sums as may be advanced or loaned by the beneficiary to the grantor or any successor in interest of the grantor, or any other person owing the obligation secured hereby, whether or not the original grantor, or any other person owing the obligation secured hereby, be then a resident of the State of Oregon, when such advances or loans are made for business or commercial purposes other than agricultural purposes.

To protect the security of this trust deed, grantor agrees: To keep the property in good condition and repair; not to remove or demolish any building or improvement thereon; not to commit or permit any waste of the property; to complete any building, structure, or improvement being built or about to be built thereon; to restore promptly and in good workmanship any building, structure, or improvement which may be damaged or destroyed; to pay, before delinquent, all lawful claims and charges against the property; to keep the buildings, fixtures and improvements now or hereafter erected on the property continuously insured against loss by fire or other hazards in an amount not less than $ ..... in companies acceptable to the beneficiary, with loss payable to the latter; all policies of insurance shall be delivered to the beneficiary as soon as insured; to keep all sums so insured or the proceeds of any loss sufficient to pay the cost of replacement or repair, and to comply with all laws, rules, and regulations of any governmental or municipal authority; to pay all taxes, assessments, and other charges that may be levied or assessed upon or against the property before they become delinquent; to keep the property free from any lien or encumbrance; 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; to appear in and defend any action or proceeding purporting to affect the security hereof or the rights or powers of beneficiary or trustee; 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.

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 if the beneficiary is a creditor as 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 intended to be a first lien on a dwelling used or to be used primarily for agricultural purposes, the word "business" means "agricultural".

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

STATE OF Oregon, County of Klamath, ss.

I certify that within my jurisdiction the person(s) named in the foregoing instrument appeared before me and acknowledged the execution thereof.

Witness my hand and seal this 7th day of August, 1978.

Notary Public for Oregon

My commission expires: [illegible]

STATE OF ..... County of ..... ss.

..... and ..... 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, that said instrument was signed in behalf of said corporation by authority of its board of directors; and each of said officers acknowledged said instrument to be its voluntary act and deed.

Before me:

(OFFICIAL SEAL)

Notary Public for ..... My commission expires: .....

Beneficiary

TRUST DEED

Grantor

Beneficiary

After recording return to:

Kelly Fargo & Associates
212 E. Grand Street
Ontario, California 91761
Attn: K. Kelly

STATE OF OREGON, County of Klamath, ss.

I certify that the within instrument was received for record on the 8th day of August, 1978, at 11:58 o'clock A.M., and recorded in book M78, page 17331 or as file/reel number 53012, Records of Mortgages of said County.

Witness my hand and seal of County affixed.

Wm. D. Milne, County Clerk

By Deputy