

TRUST DEED

Vol. 18 Page 18461

THIS TRUST DEED, made this 17th day of August, 1978, between
William H. Kendall
Transamerica Title Co.
and Betty Ahern
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:

Lots Six and Eight (6) (8) Lot Seven (7), Block Twenty-Two (22), Third Addition,
River Pine Estates, Klamath County, State of Oregon according to the official plat
thereof on file with the County Clerk of Klamath County and Subject to the Building
and Use Restrictions, appurtenant thereto and on file in Volume M-73, Page 6940, Deed
of Records.

TRUST DEED

This property is not currently used for Timber, Agriculture, Grazing or Mining
Purposes.

THIS TRUST DEED IS SECOND AND JUNIOR TO TRUST DEED, RECORDED IN FAVOR OF BETTY AHERN.

Dated Oct. 14, 1976 recorded Book M76 Page 17113 File Num 20875

Dated June 3, 1977 recorded Book M77 Page 11060 File No. 31484,
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 Twenty Two Hundred 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 Pursuant to note

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; 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 property 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, and the beneficiary so requests, to
join in executing such instruments as may be required by 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 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:
a. To provide and 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:
b. To provide and 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:

5. To pay all taxes, assessments and other charges that may be levied or assessed upon or
against said property, including but not limited to, all taxes, assessments and other
charges become past due or delinquent and promptly deliver receipts therefor
to the beneficiary; should the grantor fail to make payment of any taxes, assess-
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, the beneficiary may, at its option, make payment thereof,
and the amount so paid, with interest at the rate set forth in the note secured
hereby, together with the obligation to pay such taxes, assessments and other
charges, shall be added to and become a part of the debt secured by this
trust deed, without waiver of any rights existing from the date of the
completion hereof and for such payment, with interest as aforesaid, the
beneficiary shall be entitled to demand and receive from the grantor, and the
grantor shall be bound to pay to the beneficiary, the amount of the debt
secured hereby, 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, and the beneficiary shall be entitled
to enforce the same.

6. To pay all costs, fees and expenses of this trust including the cost
of all legal fees and expenses of the trustee incurred in connection with or
in enforcing this obligation and trustee's and attorney's
fees actually incurred.

7. To appear and defend in court and to pay the costs of all proceedings
affecting the security rights or powers of beneficiary or trustee; and in any suit,
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; the
amount of attorney's fees mentioned in this paragraph shall be fixed by the
court and shall be paid by the grantor, and the grantor shall be bound to pay
the amount of the debt secured hereby, 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, and the beneficiary
shall be entitled to enforce the same.

8. In the event that any portion or all of said property shall be taken
under the right of eminent domain or condemnation, the 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 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,
both in the trial and appellate courts, necessarily paid or incurred by bene-
ficiary in such proceedings; and thereafter applied upon the indebtedness
secured hereby; and grantor agrees, at its own expense, to take such actions
and execute such instruments as shall be necessary in obtaining such com-
pensation, promptly upon beneficiary's request.

9. At any time and from time to time upon written request of bene-
ficiary, 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
cause to be recorded in the public records of the county in which the property is situated,
a copy of this deed and the note.

(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 this deed or the lien or charge
thereof; (d) reconvey, without warranty, all or any part of the property. The
grantee in any 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 truthfulness thereof. Trustee's fees for any of the
services mentioned in this paragraph shall be not less than \$5.

10. Upon any default by grantor hereunder, beneficiary may at any
time without notice, either in person, by agent or by a receiver to be ap-
pointed by a court, and without regard to the adequacy of any security for
the indebtedness hereby secured, enter upon and take possession of said prop-
erty or any part thereof, in its own name use or otherwise collect the rents,
issues and profits, including those past due and unpaid, and apply the same
less costs and expenses of operation and collection, including reasonable attor-
ney's fees upon any indebtedness secured hereby, and in such order as bene-
ficiary may determine.

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, 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 this trust
deed in equity, as a mortgage in the manner provided by law for mortgage
foreclosures. However if said real property is not so currently used, the bene-
ficiary 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 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, where-
upon 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 pro-
vided in ORS 86.740 to 86.795.

13. Should the beneficiary elect to foreclose by advertisement and sale
then 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
ORS 86.760, may pay to the beneficiary or his successors in interest, respec-
tively, 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 ex-
ceeding \$50 each) other than such portion of the principal as would not then
be due had no default occurred, and thereby cure the default, in which event
the foreclosure proceedings shall be dismissed 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 separate parcels and shall sell the parcel or parcels at
auction 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 conveying
the property so sold, but without any covenant or warranty express or im-
plied. 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.

15. When trustee sells pursuant to the powers provided herein, trustee
shall apply the proceeds of sale to payment of (1) the expenses of sale, in-
cluding the compensation of the trustee and a reasonable charge by trustee's
attorney; (2) to the obligation secured by the trust deed; (3) to all persons
having recorded here subsequent to the interest of the trustee in the trust
deed their interests may appear in the order of their priority and (4) the
balance, if any, to the grantor or to his successor in interest entitled to such
balance.

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
conveyance to the successor trustee, the latter shall be vested with all title,
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
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 not
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.

NOTE: This 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.

and that he will warrant and forever defend the same against all persons whomsoever.

IN WITNESS WHEREOF, I have hereunto set my hand and the seal of said County, this _____ day of _____, 19____.

[illegible]

Personally appeared the above named William H. Kendall and each for himself and not one for the other, who, being duly sworn, 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: 12/31/2011

Notary Public for Oregon
My commission expires: 12/31/2011

(OFFICIAL SEAL)

10. The above information was obtained from the records of the [redacted] and is being furnished to you for your information. The [redacted] is not responsible for the accuracy or completeness of the information furnished herein.

REQUEST FOR FULL RECONVYANCE

To be used only when obligations have been paid.

...and it is hereby acknowledged by the said Trustee that the said ...
...of the said ...
...the said ...
...the said ...
...the said ...
...the said ...

and trust deed or pursuant to statute, to cancel all evidence of indebtedness secured by said trust deed (which are delivered to you together with said trust deed) and to convey, without warranty, to the parties designated by the terms of said trust deed the state now held by you under the same. Mail reconveyance of said

[illegible]

THIS LEAST DEED IS SECOND AND JUNK TO LEAST DEED² RECORDED IN BOOK 11, PAGE 111.

Beneficiary

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

TRUST DEED
OF ESCROW (FORM No. 281)
STAVENA-NESS LAW FIRM, P.C., BOOTH 1000

STATE OF OREGON

William H. Kendall
Star Route

011CHRIST, ORG. 97749) (8) JOE BEACH (1) RICE, JAMES - 21st day of August, 1978, at 10:47 o'clock A.M., and recorded in book 178

Grantor
 BARRY ABERN

SPACE RESERVED
 FOR

52427 River Pine Rd.
La Pine, Ore. 97739

RECORDED'S USE

as file/real number. 53775

Record of Mortgages of said County.

Witness

AFTER RECORDING RETURN TO
 Ahern Realty
 52423

DEED BOOK 1102
 PAGE 1158

Witness my hand and seal of
 County affixed.
 Wm. D. Milne

22427 River Pine Rd.
La Pine, Ore. 97739

18021 DEED

County Clerk..... Title
By *Bernice H. Smith* Deputy

1911 Deputy
Fee \$6.00