

SEPTEMBER 19 78

WITNESSETH:

Lot 2 in Block 25 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.

FOR THE PURPOSE OF SECURING PERFORMANCE of each agreement of grantor herein contained and payment of the sum of HUNDRED Dollars, with interest thereon according to the terms of a promissory note of even date herewith, payable to October 20 19 89.

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 promptly 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; if the beneficiary is ever required to join in executing such financing statements pursuant to the Uniform Commercial Code as the beneficiary may require, or may pay for filing same in the proper public office or offices, or for 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 an amount not less than that written 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; if the grantor shall fail for any reason to procure any such insurance and to deliver said policies to the beneficiary at least fifteen days prior to the expiration of any policy of insurance now or hereafter placed on said property, the beneficiary may procure the same at grantor's expense, and all amounts collected under any fire or other insurance policy may be applied by the beneficiary upon the indebtedness secured hereby and in such order as the beneficiary may determine, or at the option of beneficiary the beneficiary may collect, or may pay, or may determine, or may be released to grantor. Such application or release shall not cure or waive any default or notice of default hereunder or invalidate any act done pursuant to said notice.
 5. To keep said 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, receipts therefor to beneficiary; should the grantor be or become delinquent in the payment of any taxes, assessments, insurance premiums, liens or other charges payable by grantor, either by direct payment or by providing the beneficiary with funds with which to make such payment, the beneficiary, with interest at the rate set forth in the note, secured hereby, shall be added to and become a part of the debt secured by this trust deed, and the amount so added, with the obligations described in paragraphs 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 arising from breach of any of said covenants hereunder, and the grantor shall be bound to the same extent that the covenants hereof and for such payments, with interest as aforesaid, and the amount so added, shall be immediately due and payable without notice, and all such payments shall be immediately due and payable without notice, and the nonpayment of any of them 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.
 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 this obligation.
 7. To appear in and defend any action or proceeding purporting to affect the security rights or position of the 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 attorney's fees, and to pay the attorney's fees provided, in case the suit is between the grantor and the beneficiary or trustee as described; the amount of attorney's fees mentioned in paragraph 7 in all cases shall be fixed by the trial court or by the appellate court if an appeal is taken.
- It is mutually agreed that:
1. In the event that any portion or all of said property shall be taken under the strict lien stipulated in this deed, the beneficiary or trustee shall have the right, if it is shown to the satisfaction of the court, to require the grantor to pay all reasonable costs, such taking, which are in excess of the amount required to pay all reasonable costs, expenses and attorney's fees necessarily paid and applied to it; if upon any reasonable proceedings, shall be paid to the attorney's fees, both in the trial and appellate courts, and the balance of the costs incurred by beneficiary in such proceedings, and the balance of the costs incurred by the beneficiary in obtaining such compensation, promptly upon the beneficiary's request.
 2. At any time and from time to time upon written request of beneficiary (for payment of its fees and presentation of this deed and the note for endorsement (for full or partial reconveyance, for cancellation), without affecting the liability of the 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 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 with due notice, either in person, by agent or by a receiver to be appointed by a court, and without regard to the adequacy of any security, take possession of any real or personal property of grantor or of any part thereof, in its own name, enter upon and take possession of any real or personal property of grantor or of any part thereof, and apply the same, less costs and expenses of operation and collection, including reasonable attorney's fees subject to paragraph 7 hereof upon any indebtedness secured hereby, in such order as beneficiary 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 breach of this lease, nor shall it operate to validate any act done pursuant to such notice.

12. Upon default by grantor or any part of any indebtedness secured hereby or in his performance of the covenants 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 by advertisement in the manner provided by law for mortgage foreclosure. However, if said real property is not so currently used, the beneficiary or his election may proceed to foreclose this trust deed by advertisement, mortgage or direct the trustee to foreclose this trust deed by trust deed sale (consent and sale). In the latter event the beneficiary or the trustee shall execute and file with the county clerk a written notice of default and election to foreclose and cause to be recorded his written notice of default and his election to foreclose the described real property to satisfy the obligations secured hereby. Whereupon 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 provided in ORS§6.740.

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 the trustee the interest, respectively, the entire amount then due on the principal of the trust deed and the obligation secured thereby (including costs and expenses actually incurred in enforcing the terms of the obligation and the principal of the trust deed) and the principal of the debt, and the principal and attorney's fees not exceeding \$50 each then or such proportion thereof as would not then be due had no default occurred, and the trustee, 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 such property either in whole or in separate parcels, payable at the time of sale. The proceeds from the sale of the highest bidder shall be paid to the grantor or his heirs, assigns, personal representatives or assignees as required by law conveying the property sold to the purchaser's deed in form as required by law conveying the property sold to the purchaser without any covenant or warranty, express or implied, except as stated in the deed of 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

[illegible]

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.

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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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. If compliance with the Act not required, disregard this notice.

X Richard D. Sutton
Richard D. Sutton

X Barbara A. Sutton
Barbara A. Sutton

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

(ORS 93.450)

STATE OF _____

STATE OF _____, County of _____



STATE OF CALIFORNIA,

COUNTY OF Los Angeles } SS.

On 14 September, 1978 before me, the undersigned, a Notary Public in and for said County and State, personally appeared Kerry S. Penn, known to me to be the person whose name is subscribed to the within instrument as a witness thereto, who being by me duly sworn, depose and said: That he resides at Los Angeles

he was present and saw Richard D. Sutton that a Barbara A. Sutton personally known to him to be the person described in, and whose name is subscribed to the within and annexed instrument, execute the same; and that affiant subscribed his name thereto as a witness to said execution.

Signature Gerald E. Green

FOR NOTARY SEAL OR STAMP



OFFICIAL SEAL
GERALD E. GREEN
NOTARY PUBLIC - CALIFORNIA
LOS ANGELES COUNTY
My comm. expires AUG 25, 1982

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

Grantor

Beneficiary

Wells Fargo Realty Services Inc.
572 E. Green Street
Pasadena, CA 91101
KAREN STARK
Trust Services

SPACE RESERVED
FOR
RECORDER'S USE

STATE OF OREGON

County of Klamath } SS.

I certify that the within instrument was received for record on the 20th day of October, 19 78, at 10:59 o'clock A. M., and recorded in book M78 on page 23608 or as file/reel number 57048, Record of Mortgages of said County.

Witness my hand and seal of County affixed.

Wm. D. Milne

County Clerk Title

By Kimberly Hetch Deputy

Fee \$6.00