

TRUST DEED

and

WITNESSETH:

and Edward C. Dore,
WITNESSETH:
Grantor irrevocably grants, bargains, sells and conveys to trustee in trust, with power of sale, the property
County, Oregon, described as:

MOUNTAIN LAKES HOMESITES, according to the official plat thereof on file in the office of the County Clerk of Klamath County, Oregon.

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.

[illegible]

sum of SEVEN THOUSAND DOLLARS (\$7,000.00) and interest thereon according to the terms of promissory note of even date herewith, per terms of note, 19
final payment of principal and interest hereof, if not sooner paid, to be due and payable on the final installment of said 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 and cultural, timber or grazing purposes.

The above described real property is not subject to any lien or claim of any person other than the grantor.

To protect the security of this trust deed, grantor agrees:

1. To protect, preserve or 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 therein, 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 has no interest in executing such financing statements pursuant to the Uniform Commercial Code, the beneficiary may require, and to pay the filing same in the 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 obtain insurance on the building

[illegible][illegible]

To appear in and defend any action or proceeding purporting to affect the security rights or powers of beneficiary or trustee; and in any action or proceeding in which this deed, to pay all costs and expenses incurred by the foreclosure sale and the beneficiary's attorney's fees shall stand as evidence of a lien mentioned in this paragraph. In case of default of the trustor, and in the event of an order from any judgment creditor of the trustor, grantor hereby agrees to pay such sum as the court shall judge reasonable as the beneficiary's or trustee's or party's fees on such appeal.

IN WITNESS WHEREOF, I have hereunto set my hand and seal at Los Angeles, California, this _____ day of _____, 19____.

It is mutually agreed that:

5. In the event that any portion or all of said property shall be sold under the right of eminent domain or condemnation, beneficiary shall have the right, if it so elects, to require that all or any portion of the monies payable therefor be deposited in escrow, which are in excess of the amount required for compensation for such proceedings, which are in excess of the amount required to pay all reasonable costs, expenses and attorney's fees incurred by beneficiary in connection with such proceedings, shall be paid to beneficiary as follows: That one-third of such proceeds, less costs and attorney's fees incurred by plaintiff upon any reasonable costs and/or expenses paid or incurred by plaintiff in the trial and appellate courts, shall be applied upon the indebtedness of beneficiary in such proceedings; and the balance shall be applied upon the indebtedness of beneficiary in such proceedings, and the balance thereof, to take such action as may be deemed wise and prudent by beneficiary, subject to the approval of the court secured hereby; and grantor agrees, at his own expense, to take such action as may be deemed wise and prudent by beneficiary, subject to the approval of the court.

6. It is further agreed that beneficiary shall be necessary in obtaining such and execute such instruments as may be necessary for the carrying out of the purposes of this agreement.

2. 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 enforcement (in case of full reconveyances, for cancellation), without all the liability of any person for the payment of the indebtedness, trustee

(a) consent to the making of any map or plat of said property; (b) join in granting any easement, creating any restriction thereon; (c) join in or share subordinating or other agreement affecting this deed or the land herein granted; (d) reconvey, without warranty, all or any part of the property herein granted in any reconveyance may be described as the "person or persons legally entitled thereto"; and the recitals thereof. Trustee's fees for any of the foregoing shall not be 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 appointed by a court, do all things without regard to the adequacy of any security for the indebtedness secured, enter upon and take possession of and collect the rents, issues and profits, including those past due and accrued, and apply the same, less costs and expenses of operation and collection, including reasonable attorney's fees upon any indebtedness secured hereby, and 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 and 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 constitute any default or notice of default hereunder or invalidate any act done in pursuance of this lease.

[illegible][illegible][illegible]

the property sold, but the deed of any matters of fact shall be conclusive. The recitals in the deed of 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, including the compensation of the trustee and a reasonable charge by trustee for the sale, (2) the debt of the trust by the trust deed, (3) to all persons entitled to the proceeds of the sale of the property sold.

shall apply the corpus of the trust and a reasonable portion of the income of the trust to all persons entitled to the corpus of the trust, (2) to the obligation secured by the trust to the trustee in the first instance, and (3) to the obligation subsequent to the order of the trustee in the first instance, as recorded interests subsequent to the order of the trustee in the first instance, as recorded as their interests may appear in the order of their priority and (4) to the surplus, if any, to the grantor or to his successor in interest entitled to a surplus.

16. For any reason permitted by law hereinafter named herein or to the successors to any trustee named herein or to the trustee named herein, the trustee shall at any time appoint a successor or successors to any trustee hereunder. Upon such appointment, the trustee shall execute and deliver to the successor trustee, the latter shall be deemed to have accepted the appointment and the duties conferred upon any trustee hereunder. Such such appointment and acceptance shall be made by written instrument containing reference to this trust instrument, executed by the trustee hereunder, and its place of record, when recorded in the office of the recorder of the county or counties in which the property is situated, shall constitute a record of the county or counties in which the property is situated.

and its place of record, county or counties in which the property is situated, Clerk or Recorder of said county or counties to which the same shall be conclusively accepted this trust when this deed, duly executed, acknowledged is made a public record as provided by law. Trustee is obligated to notify any party hereto of personal sale under any other deed or instrument of any action or proceeding in which the grantor, beneficiary or transferee is a party, or in which the proceeds are brought by trustee.

NOTE: The Trust Does Not provide that the trustee hereunder must be either an attorney, who is an active member of the Oregon State Bar, a book, 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.

SECRET

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

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.)

(ORS 93.490)

STATE OF OREGON,

County of Klamath

November 29, 1978

Personally appeared the above named

George F. Malley and Dorothy

J. Malley

and acknowledged the foregoing instrument to be their voluntary act and deed.

(OFFICIAL SEAL)

Notary Public for Oregon

My commission expires: 7/19/82

STATE OF OREGON, County of

, 19

Personally appeared

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, 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.

Before me:

Notary Public for Oregon

My commission expires:

(OFFICIAL SEAL)

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:

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

(FORM No. 681)

STEVENS-NESS LAW PUB. CO., PORTLAND, ORE.

Malley

Grantor

Dore & Young

Beneficiary

AFTER RECORDING RETURN TO

Klamath County Title Co.
Attn. Milly

23010

STATE OF OREGON

County of Klamath

I certify that the within instrument was received for record on the 29th day of November, 1978, at 10:59 o'clock A.M., and recorded in book M-78 on page 26801 or as file/roll number 59040

Record of Mortgages of said County.

Witness my hand and seal of County affixed.

Mrs. D. Milne County Clerk

By *Maureen J. Milne* Deputy Title

Fee \$6.00