

TRUST DEED

January 8, 1979

This Trust Deed is between GLENN R. WHITE and SANDRA K. WHITE, husband and wife, as Grantor, MOUNTAIN TITLE COMPANY, as Trustee, and ROBERT W. GRAHAM, as Beneficiary. The Grantor hereby conveys to the Trustee, in trust, with power of sale, the property in Klamath County, Oregon, described on Exhibit "A" attached hereto and made a part hereof, together with all hereditaments and appurtenances and all other rights pertaining thereto. Said real property is not currently used for agricultural, timber or grazing purposes.

1. PROMISSORY NOTE: This Trust Deed is intended to secure the payment of a promissory note, a true copy of which is attached as Exhibit "B".
2. FINAL PAYMENT: The final payment of principal and interest thereon, if not sooner paid, is due and payable on September 25, 1985.
3. COVENANT OF GRANTOR: Grantor hereby covenants to and with the Trustee and the Beneficiary that he is lawfully seized in fee simple of said premises and has a valid, unencumbered title thereto, except, a Trust Deed naming First Federal Savings and Loan Association of Klamath Falls, Oregon, as the Beneficiary, dated July 14, 1978, recorded July 14, 1978, in Book M78, Page 15225 Deed Records of Klamath County, Oregon, on which there is an unpaid balance of \$35,336, and will warrant and forever defend the same against all persons.
4. PROTECTION OF SECURITY BY GRANTOR: Grantor shall: (a) pay said note according to the terms thereof; (b) pay all taxes, assessments and other charges which may be levied or assessed against said property when due; (c) promptly discharge any liens against said property which are superior to the lien of this trust deed; (d) keep the buildings now on or which may hereafter be erected on the premises insured in favor of the Beneficiary against loss or damage by fire, with extended coverage, in the sum of at least \$50,000 in a company acceptable to the Beneficiary, naming Beneficiary as an additional insured as his interest may appear; (e) keep all buildings and improvements on said premises in good repair and not permit any waste of the premises.
5. PRIOR TRUST DEED: Grantor shall pay according to the terms thereof, any prior trust deed or other lien now or hereafter existing against said property. In the event that Grantor shall fail to pay any sum due upon any such prior lien promptly when due, Beneficiary may pay the same and Grantor shall reimburse Beneficiary the amount thereof upon demand. In the alternative, Beneficiary may add the amount thereof to the debt secured by this Trust Deed the same shall bear interest at the rate specified in said note. However, exercise of either of these alternatives shall not be deemed or construed as a waiver of any right arising to Beneficiary on account of Grantors breach of this Trust Deed.
6. TRUSTEE: Upon written request of the Beneficiary, the 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 hereof; (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 in this paragraph shall be in an amount fixed by statute, if there be a statute governing the same, or otherwise a reasonable amount.
7. DEFAULT: Time is of the essence of this Trust Deed. Upon default by the Grantor in the payment of said note or in the performance of

any covenant herein, the Beneficiary may declare all sums secured hereby immediately due and payable. In such event, the Beneficiary, at his election, 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 described real property to satisfy the obligation secured by this Trust Deed. The Trustee shall thereupon 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 prescribed in ORS Chapter 86.

If the Beneficiary should elect to foreclose by advertisement and sale, then at any time prior to five days before the date set by the Trustee for the sale, the Grantor or other person so privileged under ORS 86.760, may cure the default by paying to the Beneficiary or his successors in interest, respectively, the entire amount then due under the terms of this Trust Deed and the note secured hereby, (including costs and expenses actually incurred in enforcing the terms of the obligation and trustee's and attorney's fees not exceeding \$50 each) other than such portion of the principal as would not then be due had no default occurred. In such event all foreclosure proceedings shall be dismissed by the Trustee.

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 separate parcels and shall sell the parcel or parcels at auction to the highest bidder for cash, payable at the time of sale. The 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 implied. 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.

When the Trustee sells pursuant to the powers provided herein, Trustee shall apply the proceeds of sale to payment of (a) the expenses of sale, including the compensation of the Trustee and a reasonable charge by Trustee's attorney; (b) to the obligation secured by the Trust Deed; (c) to all persons having recorded liens subsequent to the interest of the Trustee in the Trust Deed as their interests may appear in the order of their priority; and (d) the surplus, if any, to the grantor or to his successor in interest entitled to such surplus.

8. SUCCESSOR TRUSTEE: 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 property appointment of the successor trustee.

9. ACCEPTANCE BY TRUSTEE: The Trustee accepts this trust when this deed, duly executed and acknowledged is made a public record as provided by law. The 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.

10. BENEFIT: This Trust Deed inures to the benefit of and binds the parties hereto, their heirs, successors and assigns.

IN WITNESS WHEREOF, Grantor has hereunto set his hand on the day and year first above written.

Alma B. White
Sandra K. White

STATE OF OREGON)
 : ss.
 County of Klamath)

On this 18 day of January, 1979, personally appeared the above named GLENN R. WHITE and SANDRA K. WHITE who are known to me to be the identical individuals described in and who executed the within instrument, and acknowledged to me that they executed the same freely and voluntarily.



Steven Y. Orcutt
 NOTARY PUBLIC FOR OREGON
 My Commission Expires: 8/29/81

AFTER RECORDING RETURN TO:

Steven Y. Orcutt
 McCobb & Orcutt
 1763 Washburn Way
 Klamath Falls, Oregon 97601

EXHIBIT "A"

1815A
 A tract of land situated in the NE $\frac{1}{4}$ of Section 28, Township 39 South, Range 10 East of the Willamette Meridian, in the County of Klamath, State of Oregon, more particularly described as follows:

Beginning at a 5/8 inch iron pin marking the Northeast corner of the NW $\frac{1}{4}$ NE $\frac{1}{4}$ of said Section 28; thence South 89° 54' 41" East 10.70 feet; thence South 00° 19' 32" West 1537.06 feet; thence West 882.06 feet to a point marking the true point of beginning of this description; thence South 320.00 feet, more or less; thence West on a line passing over the center of a well, 280.31 feet; thence North 21° 52' 50" West 175.57 feet; thence North 01° 58' 00" East 157.18 feet; thence East 340.34 feet to the true point of beginning.

1815B

EXHIBIT "B"
PROMISSORY NOTE

January , 1979
Klamath Falls, Oregon

\$7,920

FOR VALUE RECEIVED, GLENN R. WHITE and SANDRA K. WHITE, husband and wife, Maker, jointly and severally promise to pay to ROBERT W. GRAHAM, Holder, or his order, at Klamath Falls, Oregon, the sum of \$7,920 with interest on the unpaid principal at the rate of 10 percent per annum in monthly installments of not less than \$400, including interest. The first of such installments shall be paid on or before October 25, 1982, or the 30th day after a note dated August 15, 1977, given by Maker to South Valley State Bank of Klamath Falls, Oregon in the amount of \$25,000 is paid in full, whichever sooner occurs. All subsequent installments shall be paid on or before the same day of each succeeding month until the entire balance, including principal and interest, is paid in full, but in no event later than September 25, 1985. Each such installment shall be applied first to interest to the date of payment and the balance to principal. Interest shall commence on December 27, 1978.

Upon default of the payment of any such installment, the whole of the principal sum then remaining unpaid and all interest accrued thereon shall, at the option of the Holder of this note, become immediately due and payable upon demand. In addition, if a suit or action is filed to collect on this note, Maker agrees to pay Holder's reasonable attorney fees as shall be fixed by the court at trial or on appeal.

This note is secured by a Deed of Trust of even date and is subject to the provisions of a Loan Agreement between Maker and Holder, also of even date.

Glenn R. White

Sandra K. White

EXHIBIT "B"

Promissory Note

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STATE OF OREGON; COUNTY OF KLAMATH; ss.

Filed for record at request of McCobb & Orcutt
this 22nd day of January A. D. 1979 at 1:33 o'clock P. M., on
duly recorded in Vol. M79, of Mortgages on Page 1813

Wm D. MILNE, County Clerk

By Bernetha J. Hirsch

Fee \$15.00