

THIS TRUST DEED, made this

ARTHUR M. GLEASON & KAREN L. GLEASON, TRUSTEES,
TRANSAMERICA TITLE INSURANCE COMPANY, a CALIFORNIA CORPORATION 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 42 in Block 41 of Tract 1184-Oregon Shores-Unit 2-1st Addition as shown on the map filed on November 8, 1978 in Volume 21, Page 29 of Maps in the office of the County Recorder of said County.

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
HUNDRED _____ Dollars, with interest thereon according to the terms of a promissory note of even date herewith, payable to
_____ and interest hereof if not sooner paid, to be due and payable _____ MARCH 1, 1990

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, when due all costs incurred therefor.

3. To comply with all laws, ordinances, regulations, covenants, conditions, and restrictions affecting said property; if the beneficiary so requests, to join in executing such financing statements pursuant to 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 drawn 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 \$100,000, written in companies acceptable to the beneficiary, all policies of insurance shall be delivered to the beneficiary.

[illegible]

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 premises, the grantor hereby covenants and warrants that the grantor shall pay all taxes, assessments and other charges that may be levied or assessed upon or against said premises before any part of such taxes, assessments and other charges become payable or delinquent and promptly deliver receipts therefor to beneficiary; should the grantor fail to make payment of any taxes, assessments, insurance premiums, liens or other charges payable by grantor, either by direct payment or by providing for the same in any instrument with which to make such payment, beneficiary may, at its option, cause suit to be brought in its own name to enforce payment of the same.

[illegible]

6. To pay all costs, fees and expenses of this trust including the cost of 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 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, action or proceeding in which the beneficiary or trustee may be liable for the foreclosure of a mortgage or deed of trust, to pay all costs and expenses, including evidence of the beneficiary's or trustee's attorney's fees provided that in case the beneficiary or trustee's attorney's fees are awarded, then the prevailing party shall be entitled to the beneficiary or the trustee's costs; the amount of attorney's fees and costs shall be as herein described; the amount of attorney's fees shall be entitled to this paragraph. 7 in all cases shall be fixed by the trial court or by the court of appeals, and the amount of attorney's fees shall be taken.

It is mutually agreed that:

[illegible]

9. 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 endorsement or case of full reconveyance, for cancellation), without affecting the liability of person for the payment of the indebtedness, trustee may (a) consent to the map of any map or plat of said property; (b) join in granting any easement or creating

of any map or plat of said property. (b) [unclear]
Selling C. [unclear]
The [unclear] covenants and agrees to and with the bene

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 thereof of any matters or facts shall be conclusive proof of the truthfulness thereof. Trustee's fees for any of the services performed by this paragraph shall be not less than \$5.

[illegible]

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 the 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 any of the covenants or conditions hereinbefore made, nor shall it rescind, annul, void, render inoperative or invalidate any act done pursuant to such notice.

[illegible][illegible][illegible]

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 compensation of the trustee and a reasonable charge by trustee's attorney, (2) to obligation secured by the trust deed, (3) to all persons having recorded lien subsequent to the interest of the trustee in the trust deed as their interests may appear in the order of their priority and (4) the surplus, if any, to the grantor or his heirs, assigns and assigns.

16. For any reason permitted by law beneficiaries may from time to time appoint a successor or successors to any office or position held by them hereunder, and if appointed by the beneficiaries, the latter shall be vested with all title, powers and authority of the office or position held by the beneficiary, and such appointment shall be made upon any trustee herein named as appointing authority, and such appointment shall be made by the execution of a written instrument executed by beneficiary, containing the name of the person or persons to whom the office or position is to be appointed, and substitution of the name of the person or persons to whom the office or position is to be appointed to this trust deed and its place of record, where the office or position to which the appointment is made is in the counties in which the office of the County Clerk or Recorder is located, and the recording of the instrument in the office of the County Clerk or Recorder shall be conclusive proof of proper appointment of the successor or successors to the office or position to which the appointment is made, and the property is situated, shall be conclusive proof of proper appointment and acknowledgment of this deed, duly executed and acknowledged.

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 proceeding in which grantor, beneficiary or trustee shall be a party unless such action 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 titled 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.

You have the option to void your contract or agreement by notice to the seller if you did not receive a Property Report prepared pursuant to the Rules and Regulations of the Office of Interstate Land Sales Registration, U.S. Department of Housing and Urban Development, in advance of, or at the time of your signing the contract or agreement. If you received the Property Report less than 48 hours prior to signing the contract or agreement you have the right to revoke the contract or agreement by notice to the seller until midnight of the third business day following the consummation of the transaction. A business day is any calendar day except Sunday, and the following business holidays: New Year's Day, Washington's Birthday, Memorial Day, Independence Day, Labor Day, Columbus Day, Veteran's Day, Thanksgiving and Christmas.

* 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 Arthur M. Gleason
Arthur M. Gleason

X Karen L. Gleason
Karen L. Gleason

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

STATE OF Oregon } ss.
County of Clackamas
2/5/79, 19

Personally appeared the above named
Arthur M. & Karen L. Gleason
and acknowledged the foregoing instrument to be their voluntary act and deed.

Before me
(OFFICIAL SEAL) *Shandra Rellens*
Notary Public for Oregon
My commission expires: 11/6/82

(ORS 93.490) STATE OF _____, County of _____, 19____ ss.

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.

Notary Public for _____
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

Grantor
Beneficiary

SPACE RESERVED
FOR
RECORDER'S USE

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

KAREN STARK
Trust Services

STATE OF OREGON } ss.

County of Klamath
I certify that the within instrument was received for record on the 7th day of March, 1979, at 10:48 o'clock A.M., and recorded in book M79 on page 5136 or as file/reel number 63569.
Record of Mortgages of said County.
Witness my hand and seal of County affixed.

Wm. D. Milne
County Clerk Title

Bernice A. Helch

Fee \$6.00