

THIS TRUST DEED, made this 26 day of January, 1979, between Ton Whittaker, a single man, as Grantor, 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 23 in Block 34 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 master lease

PERFORMANCE of each agreement of grantor herein contained and payment of the sum of Four thousand \$4,000.00 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.

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 date 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:

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 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 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 \$

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 to deliver to the beneficiary any such insurance and to deliver said policies to the beneficiary within fifteen days after the expiration of any policy of insurance now or hereafter placed on said buildings, the beneficiary may procure the same at grantor's expense. The amount collected under any such insurance policy may be applied by the beneficiary upon any indebtedness secured hereby, and such order as beneficiary may determine, or at option of beneficiary the entire amount in such order as beneficiary may determine, may be released to grantor. Such application or release shall not, or any part thereof, constitute a waiver, discharge, satisfaction, or release of any claim, demand, suit or notice of default hereunder, or invalidate any act done pursuant to such option.

3. 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, assessments and other charges shall become due, default 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, the trustee hereunder shall, at the option of beneficiary with funds with which to make such payment, by direct payment or by providing option, make payment thereof, and the amount so paid, interest at the rate set forth in paragraph 6 and 7 of this trust deed shall be added to and become a part of the principal secured hereby, and without waiver of any rights arising from breach of any of the covenants herein, and without payments, with interest as aforesaid, the property hereby mortgaged and secured by this trust deed shall remain bound to the same extent that payments shall be immediately due and payable without notice of default, and all such payments 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 of a beneficiary or trustee; and in any suit, action or proceeding in which the trustee may appear, including any suit for the foreclosure of this deed; to pay all costs of the trustee, including evidence of title and the beneficiary's or trustee's attorney's fees provided that the suit is brought by the grantor and the beneficiary or the trustee then the prevailing party shall be entitled to the beneficiary's or trustee's attorney's fees herein described; the amount of attorney's fees mentioned in this paragraph 7 shall costs shall be fixed by the trial court or by the appellate court if an appeal is taken.

It is mutually agreed that:

8. In the event that any portion or all of said property shall be taken 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 compensation shall be paid to the grantor in such taking, which are in excess of the amount required to be payable as compensation for the taking of the property, less necessarily paid or incurred by grantor in such proceedings, shall be paid or necessarily paid or incurred by grantor in such costs and expenses and attorney's fees, both in the trial and appellate courts, applied upon the award of compensation, and the balance of the compensation, less necessarily paid or incurred by beneficiary in such proceedings, and the balance of the compensation, less necessarily paid or incurred hereby, and grantor agrees, at its own obtaining such compensation, promptly upon beneficiary's request.

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 (in case of full reconveyance, for cancellation), without affecting the liability of any 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 the grantor hereunder, beneficiary may at any time with due notice, either in person, by deposit with a receiver to be appointed by a court, and enter upon and take possession of said property or any part thereof, in its own name sue or otherwise collect the rents, issues and profits of said property, in and to the same, and apply the same, less costs and expenses of operation and collection, and including reasonable attorney's fees subject to paragraph 7 herof 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 notice of default hereunder.

[illegible]

13. Should the beneficiary elect to foreclose by advertisement and sale prior to five days after default at any time prior to five days before the date set by the trustee for the beneficiary's sale, the grantor or other person so designated by the trustee, may pay to the beneficiary or his successors in interest, respectively, the entire principal and interest due and expenses actually incurred in enforcing the terms of the obligation and trustee's and attorney's fees not exceeding \$500. If such portion of the principal as would not then be due had no default occurred, and the entire principal and interest due, is not so paid, the foreclosure proceedings shall be dismissed by the trustee.

14. Otherwise, the above proceedings shall be dismissed by the trustee. The trustee designated in the notice of sale shall be held on the date and at the time and place specified in the notice of sale to receive bids for the property to be sold, whether the property is in one or more parcels and whether the property is to be sold in one or more parcels or in separate parcels and shall sell the property 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 the trustee shall not be bound to execute any deed or conveyance for the property sold, but the trustee's deed shall be conclusive proof of the truthfulness thereof. Any person claiming an interest in the property sold shall be bound to appear at the time and place specified in the notice of sale, but the trustee, by 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's attorney, (2) to the obligation secured by the trust deed, (3) 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 (4) the surplus, if any, to the grantor or to his successor in interest entitled to such surplus.

16. For any reason permitted by law, a new beneficiary may from time to time appoint a successor or successors to any trust herein created, and any successor trustee appointed hereunder. Upon such appointment, and without any assignment or transfer of the trust, the latter shall be vested with all title, powers and duties of the trustee upon any trust herein created 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 in which the trust 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.

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.

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.

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

(ORS 93.490)

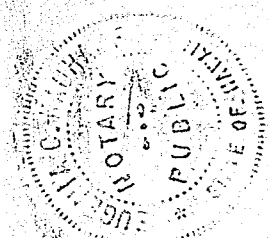
STATE OF HAWAII, Honolulu } SS.
COUNTY OF

On February 01, 1979 before me,
the undersigned, a Notary Public in and for said County and State,
personally appeared Richard F. Asmus
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
Box 564, Haleiwa, HI
he was present and saw Tom Whitaker

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 Eugene S. Kouhore Trustee

FOR NOTARY SEAL OR STAMP



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:

Beneficiary

TRUST DEED

Grantor
Beneficiary

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
8th day of March, 1979,
at 11:30 clock A.M., and recorded
in book M79 on page 5303
or as file/reel number 63672

Record of Mortgages of said County.
Witness my hand and seal of
County affixed.

M. D. Milne

County Clerk

Title

By Bernice Hetch Deputy

Fee \$6.00