

TRUST DEED

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 34 in Block 44 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 payment of the sum of SEVEN HUNDRED & SEVENTY FIVE dollars, with interest thereon according to the terms of a promissory note of even date herewith, payable to 3-20, 1989.

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 therein, or hereafter, 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, within 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.

well as be deemed desirable by the beneficiary.

4. To provide and continuously maintain insurance on the buildings now owned by the beneficiary hereafter erected on the said premises against loss or damage by fire and such other perils as may be hereafter ascertained by the beneficiary from time to time to require in an amount not less than the full replacement value of the buildings, to be written in companies acceptable to the beneficiary.

5. To deliver 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 then in force, the grantor's expense shall be the cost of procuring such insurance and the beneficiary shall be entitled to place on said buildings, the beneficiary may cause to be secured the same at grantor's expense. The amount collected under any policy so secured hereby and in such order as beneficiary may determine, or the proceeds of any other insurance policy may be applied by the beneficiary upon any indebtedness secured hereby and in such order as beneficiary may determine, or the option of beneficiary the entire amount so collected, or any part thereof, may be released to grantor. Such application or release shall not constitute a default or breach of this agreement, nor shall it constitute a release of the beneficiary or any default or omission of default hereunder or invalidate any act done pursuant to such notice.

6. To execute from time to time all necessary construction liens and to pay all taxes

[illegible]

7. To appear in and defend any action or proceeding purporting to affect the 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 for the enforcement of this deed, to pay all costs and expenses, including evidence of fact, incurred by the beneficiary's or trustee's attorney's fees provided, however, that if the beneficiary's or trustee's attorney's fees are awarded, the prevailing party shall be entitled to the amount of the attorney's fees. The amount of attorney's fees mentioned in this 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:

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8. In the event that any portion of all or 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 sum so payable in compensation for such taking, which are in excess of the necessarily paid or incurred by grantor in such expenses and attorney's fees, be necessarily paid or applied by grantor in such proceedings, and the balance so paid to beneficiary and applied by it first upon any reasonable costs and expenses and attorney's fees, both in the trial and in the appeal, and the balance necessarily paid or incurred by beneficiary in such proceedings, and grantor agrees, at its own expense, to take such depositions and secure such instruments as shall be necessary in connection with such proceedings, 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 recit thereon of any matters or facts shall be conclusive proof of the truthfulness thereof. Trustee's fees for any of the services provided in 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 compensation or awards for any taking or damage of the property, or the application or release thereof as aforesaid, shall not cure or waive any default or notice of default hereunder or invalidate any act done pursuant to such notice.

12. Upon default by grantor in payment of any indebtedness secured hereby or in his performance of any agreement hereunder, the beneficiary may declare all sums so secured hereby immediately due and payable. In such an event and if the above described real property is needed to foreclose this trust deed in equity, as a mortgage in the beneficiary may proceed to foreclose this trust deed in equity, as a mortgage in the manner provided by law for mortgage foreclosures. However, if said real property is not currently used, 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 said and described real property to satisfy the obligations secured hereby, whereupon the trustee shall fix the time and place of the public sale, give notice thereof as then required by law, and proceed to foreclose this trust deed in the manner provided in ORS §6.740

law, and proceed to foreclose this trust deed by advertisement and sale then to \$6,790. 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 designated by ORS 86,760, may pay to the beneficiary or his or her attorney, respectively, the entire amount then due, under the terms of the trust deed and the obligation secured thereby (including costs of the trustee's sale), and the trust deed and the obligation secured thereby shall be deemed to have been paid in full, and the beneficiary shall be relieved of all principal and interest expenses actually incurred in enforcing the terms of the obligation secured by the trust deed, and the grantor or other person designated by the principal and attorney's fees not exceeding \$50 (each) other than reasonable attorneys' fees shall be paid to the grantor or other person designated by the principal, and as would not then be due had no default occurred, and thereby cure the default, in whole or in part, and the deficiency shall be deemed 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 the parcel or parcels at auction to the parcel or in separate parcels payable at the time of sale. Trustee shall deliver to the purchaser a deed of conveyance, together with a bill of sale, and shall execute and deliver to the purchaser its deed in form as required by law conveying the property to the purchaser without any covenant or warranty, express or implied, in the deed or in any matters of fact shall be conclusively proof of the truthfulness thereof. Any person, including 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's attorney, (2) the compensation of the trustee and a reasonable charge by trustee's attorney, (3) the obligation secured by the trust deed, (4) to all persons having a recorded lien or obligation subsequent to the interest of the trustee in the trust deed as third parties may appear in the order of their priority and (5) the surplus, if any, to the grantor or to his successor in interest entitled to such surplus.

16. For any reason permitted by law, beneficiary may from time to time appoint a successor in interest entitled to such surplus.

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.

Gerald C. Wolff
Martha E. Wolff

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

(ORS 93.490)

STATE OF OREGON

County of Klamath

APRIL 19, 1979

Personally appeared the above named GERALD C. WOLFF and MARTHA E. WOLFF and acknowledged the foregoing instrument to be their voluntary act and deed.

(OFFICIAL SEAL)

John G. Kalita
Notary Public for OREGON

My commission expires: July 16, 1980

STATE OF _____, County of _____) ss.
_____, 19____

Personally appeared _____ and _____ 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 _____

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

AFTER RECORDING RETURN TO
Wells Fargo Realty Services Inc.
642 E. Green Street
Pasadena, CA 91101

KAREN STARK
Trust Services

SPACE RESERVED
FOR
RECORDER'S USE

STATE OF OREGON

County of Klamath

I certify that the within instrument was received for record on the 1st day of June, 1979, at 11:34 o'clock A.M., and recorded in book 179 on page 12680 or as file/reel number 63170. Record of Mortgages of said County. Witness my hand and seal of County affixed.

Wm. D. Milne

County Clerk

Title

By Bernice A. Skitsch Deputy

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