

THIS TRUST DEED, made this

WITNESSETH:

Lot 30 in Block 46 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.

FOR THE PURPOSE OF SECURING PERFORMANCE of each agreement of grantor herein contained and payment of the sum of EIGHT HUNDRED --- 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 hereof, if not sooner paid, to be due and payable June 5 1990

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.

1. To 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.

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 all other respects.

beneficiary with less payable to the latter, written in companies acceptable to the beneficiary as soon as insured; if any policy of insurance shall be delivered upon any such insurance and to deliver said policy, the beneficiary at least fifteen days before the expiration of any policy of insurance now or hereafter placed on said building, the beneficiary may procure the same at grantor's expense. The amount collected under any other insurance policy may be applied by the beneficiary upon any indebtedness secured by such insurance policy or may be determined, or at option of beneficiary the entire amount collected as beneficiary, part thereof may be released to grantor. Such application or release may be made or waived any default or notice of default hereunder or invalidate any act done pursuant to such notice.

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 by any part of such taxes, assessments and other charges become past due or delinquent, grantor hereby deliver receipts therefor to beneficiary; should grantor fail to make payment of such taxes, assessments, insurance premiums, liens or other charges payable by grantor, beneficiary may, by direct payment or by providing funds with funds with which to make such payment, beneficiary may, at its option, make payment thereof, and the amount so paid, shall be added to the rate set forth in note secured hereby, together with the obligation as prescribed in paragraphs 6 and 7 hereof. This trust deed shall be added to and become a part of the covenants hereof and for each part of any rights arising from breach of any of hereinbefore described, as well as the grantor, with interest as aforesaid, the property is bound for the payment of the obligation hereunder to the same extent that payments are immediately due and payable without notice, and all such thereafter shall, at the election of the beneficiary, render all sums secured by this deed immediately due and payable and constitute a breach of this trust deed.

6. To pay all costs, taxes, assessments, interest and principal due on the

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 right in 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 foreclosure of this deed, to pay all costs and expenses, including evidence of title and between the trustor and the beneficiary or the trustee then the suit is to be entitled to the trustor and the beneficiary or the trustee then the suit is 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:

8. In the event that any portion or all of said property shall be taken under the right of eminent domain for condemnation, beneficiary shall have the right, if it so elects, to require that all or any portion of the monies payable as compensation for such taking, which are in excess of the amount actually paid by the condemning authority, and attorney's fees necessarily paid or incurred, pay all reasonable costs, proceedings and expenses paid to beneficiary and applied by it first upon its reasonable costs and expenses necessarily paid or incurred in such proceedings, and the balance necessarily paid or incurred by beneficiary fees, both in the trial and appellate courts, applied upon the indebtedness secured hereby; and such proceedings, and the balance expense, take such actions and execute such instruments as shall be necessary in 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 to the bank for endorsement (in person for the recording, for cancellation), without affecting the validity of any of any part or plat of said indebtedness, trustee may (a) consent to the making of any mortgage or valid debt security; (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," or "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.

Upon any default by grantor hereunder, beneficiary may at any time without regard to the person, by agent or by a receiver to be appointed by a court, and enter upon and take possession of any security for the indebtedness hereby secured, and may or otherwise collect the rents, issues and profits or any part thereof, in its own name and apply the same, less costs and expenses, including those past due and including reasonable attorney's fees subject to paragraph 10 hereof 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 constitute a release of the parties to this agreement from their obligations hereunder.

10. If the beneficiary of the trust shall die, the trust shall terminate and the principal and income of the trust shall be distributed to the beneficiary of the trust. If the beneficiary of the trust shall die, the trust shall terminate and the principal and income of the trust shall be distributed to the beneficiary of the trust.

13. Should the beneficiary elect to foreclose by advertisement and sale, then trustee at any time prior to five days before the date set by the trustee for the trustee's sale, the grantor or other person (other than ORS 86.760), may pay to the trustee the beneficiary or his successors in interest, respectively, the costs of the advertisement and expenses actually incurred and the obligation secured thereby (including attorney's fees not exceeding \$50 each) in the terms of the obligation and trustee's sale, then be due had no default occurred, and then a portion of the principal which event all of the proceedings shall be dismissed by the trustee.

14. Otherwise, the sale, proceedings shall be dismissed by the trustee,

which event all foreclosure proceedings shall be discontinued and hereby cure the default, in designated. Otherwise, the sale shall be held on the date and the trustee, in designated parcel or in separate lots and shall sell the parcel or parcels at auction to the highest bidder for cash, payable and shall sell the parcel or parcels at auction to the purchaser its deed in form as required by the time of sale. Trustee shall deliver to the grantor without any covenant or warranty, express or implied, conveying the property so sold, but the fact shall be conclusive proof of the truthfulness of the deed of any excluding the trustee, but including the grantor and beneficiaries. Any person, 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 obligation of the trustee and a reasonable charge to the trustee's attorney, (2) to the subsequent expenses of the trustee, (3) to all persons having recorded liens against the property, (4) the interest of the trustee in the trust deed as their interests may appear in the order of their priority and (5) the surplus, if any, to the grantor or to his successors in interest entitled to such surplus.

no successor or trustee is entitled to such surplus, if any, to the grantor or to his estate, except as may be permitted by law. If any such surplus shall be payable to a successor or trustee named herein, such surplus shall be paid to any successor trustee appointed hereunder. Upon such payment, the grantor and his estate shall be deemed to have received the same, and without conveyance to the said successor trustee, the latter shall be vested with all the rights and duties conferred upon the grantor herein named or appointed hereunder. Such payment and substitution shall be deemed to have been made at the time of the execution and reference to this trust deed and the written instrument executed by beneficiary, co-beneficiary, or co-trustee, and the recording of the same in the office of the County Clerk or Recorder of records, which, when recorded in the office of the County Clerk or Recorder of records, shall constitute prima facie evidence is stated, shall be conclusive proof of proper appointment of the said 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 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.

7213-1291

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.)

Fred W. Koehler Jr.

(ORS 93.490)

STATE OF CALIFORNIA,

COUNTY OF Los Angeles } SS.

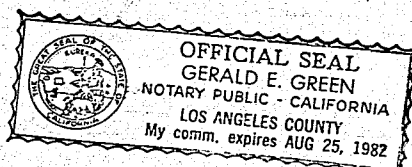
On 25 MAY, 1979 before me, the undersigned, a Notary Public in and for said County and State, personally appeared Kerry S. Penn known to me to be the person whose name is subscribed to the within instrument as a witness thereto, who being by me duly sworn, deposed and said: That he resides at Los Angeles that he was present and saw Fred W. Koehler Jr.

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

Gerald E. Green

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:....., 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

County of Klamath } SS.

I certify that the within instrument was received for record on the 26th day of July, 19 79, at 10:34 o'clock AM, and recorded in book M79 on page 17742 or as file/reel number 71285, Record of Mortgages of said County.

Witness my hand and seal of County affixed.

Wm. D. Milne

County Clerk

Title

By Barbara H. Hetch Deputy

Fee \$6.00