

THIS TRUST DEED, made this 12th day of October 1979, between EDWARD C. KASHACK and EVELYN P. KASHACK, husband and wife, tenants in their entirety, as Grantor, and GERALD E. GREEN, a married man, as Trustee, as Beneficiary,

Grantor irrevocably grants, bargains, sells and conveys to trustee in trust, with power of sale, the property in Klamath County, Oregon, described as: Lot 9, Block 20, Tract 1113, OREGON SHORES - UNIT #2, in the County of Klamath, State of Oregon.

This deed of Trust is given to secure a portion of the purchase price and is second and subject to a deed of trust of record.

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 TWO THOUSAND AND NO/100 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 October 22, 1986.

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.

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, nor 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 cause the beneficiary to file a copy of 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 title officers or searching agencies as may be deemed desirable by the beneficiary.

4. To provide and continuously maintain insurance on the buildings and such other hazards as the beneficiary may from time to time require, in an amount not less than \$100,000, applicable to the beneficiary, in policies of insurance acceptable to the beneficiary, with loss payable to the latter, all of which policies 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 of insurance now or hereafter placed on said buildings, the beneficiary may procure the same at grantor's expense. The amount collected under any fire or other insurance policy may be applied by beneficiary upon any indebtedness secured hereby and in such order as beneficiary may determine, or at 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 release of the debt secured hereby or invalidate any other insurance policy.

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 property before any part of such taxes, assessments and other charges become past due 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 beneficiary with funds with which to make such payment, beneficiary may, at its option, make payment thereof, hereby, together with the obligations described in paragraphs 6 and 7 of this trust deed, shall be added to and become a part of the debt secured by this trust deed, without prejudice to any rights arising from breach of any of the covenants hereof and for such payments, with interest as aforesaid, the property hereinafter described, as well as the grantor, shall be bound to the same extent that they are bound for the payment of the obligation herein described, and all such payments shall be immediately due and payable with four days' notice, and the nonpayment thereof shall, at the option of the beneficiary, constitute a breach of this trust deed, immediately due and payable, and the grantor shall be liable for the same.

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 or in enforcing this obligation and trustee's and attorney's fees actually incurred.

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 foreclosure of this deed, to pay all costs and expenses, including evidence of title and the beneficiary's or trustee's attorney's fees, the amount of attorney's fees mentioned in this paragraph 7 in all cases shall be fixed by the trial court, and in the event of an appeal, from any judgment or decree of the trial court, grantor further agrees to pay such sum as the attorney's fees shall appear reasonable as the beneficiary or trustee's attorney's fees shall appear.

8. It is mutually agreed that:

- (a) 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 monies payable as compensation for such taking, that all or any portion of the monies payable to pay all reasonable costs, expenses and attorney's fees necessarily paid or incurred by grantor in such proceedings, shall be paid to beneficiary and both in the trial and appellate courts, necessarily paid or incurred by beneficiary, in such proceedings, and the balance applied upon the indebtedness secured hereby; and grantor agrees to take such action as may be necessary and execute such instruments as shall be necessary in obtaining such compensation, promptly upon beneficiary's request.
- (b) 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 reconveyances, for cancellation) without affecting the liability of any person for the payment of the indebtedness, trustee may

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 or the United States or any agency thereof.

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 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), or

(b) for any other purpose (never for a purpose 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.

*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; for this purpose, if this instrument is to be a FIRST lien to finance the purchase of a dwelling, use Stevens-Ness Form No. 1305 or equivalent; if this instrument is NOT to be a first lien, use Stevens-Ness Form No. 1306 or equivalent. 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.)

Edward C. Kashack
Edward C. Kashack
Evelyn P. Kashack
Evelyn P. Kashack

THIS FORM FURNISHED BY FOUNDERS TITLE COMPANY
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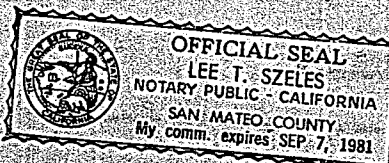
(Individual)
STATE OF CALIFORNIA
COUNTY OF SAN MATEO } SS.
On 10-22-79 before me, the undersigned, a Notary Public in and for said State, personally appeared Edward C. Kashack

to be the person whose name is subscribed to the within instrument and acknowledged that he executed the same.
WITNESS my hand and official seal.
Signature Bea Borkowski
BEA BORKOWSKI
Name (Typed or Printed)



STATE OF CALIFORNIA
COUNTY OF SAN MATEO } SS.
On October 22, 1979 before me, the undersigned, a Notary Public in and for said State, personally appeared EVELYN P. KASHACK

to be the person whose name is subscribed to the within instrument and acknowledged that she executed the same.
WITNESS my hand and official seal.
Signature Lee T. Szeles
LEE T. SZELES
Name (Typed or Printed)



TRUST DEED
(FORM NO. 881-1)
STEVENS-NESS LAW PUB. CO., PORTLAND, ORE.
Edward C. Kashack and Evelyn P. Kashack
Grantor
Gerald A. Green
Beneficiary
AFTER RECORDING RETURN TO
Mr. & Mrs. Edward C. Kashack
631 Edgemar Ave.
Pacifica, Calif. 94044

STATE OF OREGON } SS.
County of Klamath
I certify that the within instrument was received for record on the 29th day of October, 1979 at 3:47 PM and recorded in book M79 on page 25460 or as file/reel number 76138
Record of Mortgages of said County.
Witness my hand and seal of County affixed.
County Clerk
Deputy