

Grantor irrevocably grants, bargains, sells and conveys to trustee in trust, with power of sale, the property in Klamath County, Oregon, described as:

Beginning at a 3/4 inch iron pipe marking the Northwest corner of the SW 1/4 NE 1/4 of said Section 9; thence Southerly along the North-South center section line of said Section 9 a distance of 2160 feet to the true point of beginning of this description; thence continuing Southerly along said North-South center section line 446 feet, more or less, to the Westerly right of way line of the County Road; thence Northeasterly along said Westerly right of way line to a point that bears East from the true point of beginning; thence West to the true point of beginning.

FOR THE PURPOSE OF SECURING PERFORMANCE of each agreement of grantor herein contained and payment of the sum of Two Thousand Fifty-Two and 33/100 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

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, 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 premises said premises against loss or damage by fire and such other perils as the beneficiary may from time to time require, in an amount not less than \$ \_\_\_\_\_, written in companies acceptable to the beneficiary, with loss payable to the latter; all policies of insurance shall be delivered to the beneficiary as soon as issued and if the grantor shall fail for any reason to cause such insurance and to deliver said policies to the beneficiary within the first 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 the beneficiary may determine, or at option of beneficiary, the amount so collected, or any part thereof, may be paid to the beneficiary or to the beneficiary's estate, not cure or waive any default or notice of default hereunder or invalidate any other provision hereof, and shall be binding and enforceable as if fully and duly done pursuant to such notice.

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, or other charges payable by grantor, either by direct payment, beneficiary may, at its option, make payment thereof to make such payment, beneficiary may, at its option, make payment thereof at any amount so paid, with interest at the rate set forth in the note secured 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 the trust deed, without waiver of any rights arising from breach of any of the covenants hereof and for such payments, with interest as aforesaid, the property herebefore described, as well as for the payment of the obligation herein so stated that they are, and the payments shall be immediately due and payable without notice, and the payment thereof 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 or in enforcing this obligation and trustee's and attorney's fees actually incurred.

lees actually incurred. The court will not allow a beneficiary to sue 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 as a party, the court will not allow the beneficiary or trustee to recover any costs or expenses, including the attorney's fees, of the beneficiary or trustee's attorney, including the attorney's fees mentioned in this paragraph 7 in all cases shall be paid by the trustee to the beneficiary or trustee, as the case may be, as ordered by the trial court; and in the event of an appeal, the costs shall be paid by the trial court, and the trustee shall be ordered to pay such sum as the appellate court shall find to be reasonable as the beneficiary's or trustee's attorney's fees on such appeal.

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 (in case of full reconveyances, 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 any granting any easement or creating any restriction thereon; (c) join in any subordination or other agreement affecting the deed or the lien or charge thereon; (d) recover, with or without suit, all or any part of the property; The foregoing covenants, conditions and warranties 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 grantor hereunder, beneficiary may at any time without notice, either in person or by a duly authorized receiver to be appointed by a court of competent jurisdiction, enter upon and take possession of the indebtedness hereby secured, 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, including those past due and unpaid, and apply the same to the payment of the principal and interest on the indebtedness hereby secured, less costs and expenses of operation and collection, including reasonable attorney's fees on the indebtedness hereby secured hereby, and 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 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 secured hereby immediately due and payable. In such an event and if the abiding purposes, 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 so 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 in equity as a mortgage and sale. In the latter event the beneficiary may direct the trustee shall execute and cause to be recorded his written notice of default and his election to sell the said described property in satisfaction of the obligations secured hereby, whereupon the trustee shall fix the time and place of sale, give notice thereof as then required by law and proceed to foreclose this trust deed in the manner provided in ORS 86.740 to 86.795.

13. Should the beneficiary elect to foreclose by advertisement and sale then all disbursements prior to five days before the date s.e. by the trustee for the trustee's sale, the grantor or other person so privileged by ORS 86.760, may pay to the beneficiary or his successors in interest, respectively, the entire amount then due, including costs and expenses actually incurred in enforcing the terms of the obligation and trustee's and attorney's fees not exceeding \$50 each) other than such portion of the principal as would be due had no default occurred, and any such default, in which event he shall be deemed to have waived his right to be dismissed 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 shall sell said property either in one parcel or in several parcels and shall sell the parcel or parcels at the highest bid for cash, payable at the time of sale. Trustee shall deliver to the purchaser its deed in form as required by law conveying the property so sold, but without any covenant or warranty, express or implied. The recitals in the deed of any matters of fact shall be conclusive proof of the truthfulness hereof. Any person, including the trustee, but including no person specifically named herein, may purchase at the sale.

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 of the trust created by the trust deed; (3) to all persons having recorded liens or claims against the interest of the trustee in the trust described herein; and (4) to the 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.

(6). For any reason permitted by law, beneficiary may from time to time appoint a successor or successors to any trust named herein or to any trust so designated hereunder. Upon such appointment, and without conveyance to the successor trustee, the latter shall be vested with all title, powers and duties conferred upon any trustee herein named or designated 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 or counties in which this trust deed is recorded, shall constitute notice to all persons. 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.

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.

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);  
(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.

\* 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.)

(ORS 93.490)

STATE OF OREGON, )  
County of Klamath ) ss.  
December 11, 19 79  
Personally appeared the above named

D. L. EAYRS

and acknowledged the foregoing instrument to be his voluntary act and deed.

Before me:

Notary Public for Oregon

My commission expires: 4-10-82

STATE OF OREGON, 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 Oregon

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: 12-11-79

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

(FORM No. 881)

STEVENS-NESS LAW PUB. CO., PORTLAND, ORE.

D. L. EAYRS

Grantor

EMPIRE PACIFIC INDUSTRIES

Beneficiary

AFTER RECORDING RETURN TO

EMPIRE PACIFIC INDUSTRIES

836 Mason Way

Medford, Oregon 97501

## STATE OF OREGON

County of Klamath

I certify that the within instrument was received for record on the 17th day of January, 19 80 at 2:03 o'clock P.M., and recorded in book M-80 on page 1019 or as file/reel number 79479

Record of Mortgages of said County.

Witness my hand and seal of County affixed.

Wm. D. Milne - County Clerk

By *Dequeline J. Mettee* Title Deputy

Fee \$7.00