

**TRUST DEED**

, 19 80, Between  
 , as Grantor.  
 , as Trustee.  
 , as Beneficiary.

**WITNESSETH:**

Lot 8, Block 23, Oregon Pines, as same is shown on Plat filed June 30, 1969  
duly recorded 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 Three Thousand Six 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 on the 15th day of May 1917.

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 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.

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 therein, and pay when due all costs incurred therefor.
3. To comply with all laws, ordinances, rules and regulations of the city.

3. To comply with all laws, ordinances, regulations, covenants, conditions and restrictions affecting said property; if the beneficiary so requests, to obtain in executing such foregoing 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 third officers or searching agencies as may be deemed desirable by the beneficiary.

4. To provide and continuously maintain insurance on the buildings new 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 \$

...companies acceptable 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 of insurance now or hereafter placed on said business, the beneficiary may, at any time and from time to time require, in writing, the grantor to procure and deliver such policies.

the beneficiary may procure the same or hereafter placed on said buildings, collected under any life 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 cure or waive any default or notice of default hereunder or invalidate any action taken pursuant to the provisions of this instrument.

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 such taxes, assessments, or other charges, the beneficiary shall have the right to pay the same and to be reimbursed therefor by the grantor.

beneficiaries, 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, and the amount so paid, with interest at the rate set forth in the note secured hereby, together with the obligations described in paragraphs 5 and 7 of this trust deed, shall be added to and become a part of the debt secured by this note.

just due, without waiver of any rights arising from breach of any of the covenants hereof and for such payments, with interest as above and, 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 without notice, and the nonpayment thereof shall, as to the parties herein named, constitute a default in the performance of the obligations herein

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 a 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 deed, and the beneficiary's and attorney's actual costs incurred.

It is mutually agreed that:

8. In the event that any portion or all of said property shall be taken for the right of eminent domain or condemnation, beneficiary shall have the right, if so elects, to require that all or any portion of the monies compensation for such taking, which are in excess of the amount payable for all reasonable costs, expenses and attorney's fees necessarily paid or incurred by Plaintiff in such proceedings, shall be paid to beneficiary and not by it and upon any such taking.

and by it just upon any transmission costs and expenses and attorney's fees, in the trial and appellate courts, necessarily paid or incurred by her, in such proceedings, and the balance applied upon the indebtedness of said heretofore and former owner, at its own expense, to take such actions to execute such instruments as shall be necessary in obtaining such confirmation, promptly upon beneficiary's request.

At any time and from time to time upon written request of Lender, payment of its fees and presentation of this deed and the note for recording (in case of full reconveyance, for cancellation), without affecting 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 instrument affecting this deed or the lien or charge thereon; (d) reconvey, without reservation, all or any part of the property. The failure of any reconveyance may be established as the "fraud on persons" conclusively entitled thereto, and the recitals therein or any matters or facts shall be conclusive proof of the truthfulness thereof. Trustee's fees for any of the above services provided in this paragraph shall be not less than \$5,000.00.

[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, 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 above described real property is not lawfully used for agricultural, timber, or grazing purposes, the beneficiary may proceed to foreclose this trust (hereinafter referred to as the "Mortgage") in the manner provided for in the mortgage. However if said real property is not so currently used, the beneficiary at his option may proceed to foreclose this trust deed in equity, by mortgage or direct sale.

notice 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 above described real property to satisfy the obligations secured hereby, whereupon the trustee shall fix the time and place of sale, give notice thereof as required by law and proceed to foreclose this trust deed in the manner provided in ORS 86.740, 86.742.

13. Should the beneficiary elect to foreclose by advertisement and sale 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 so authorized by ORS 86 760, may pay to the beneficiary or his successors in interest, respectively, the entire amount then due under the terms of the trust, including obligation secured by the property, and discharge this trust deed in the manner provided in ORS 86 740 to 86 795.

obligation secured thereby (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 not then due had no default occurred, and thereby cure the default, in which event foreclosure proceedings shall be deemed by the trustee.

one designated in the notice of sale. The trustee may sell said property either in one parcel or in separate parcels and shall sell the parcel or parcels at auction to the highest bidder 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 conclusively

15. When trustee sells pursuant to the powers provided herein, trustee will apply the proceeds of sale to paying in full the costs of sale, including the compensation of the trustee, and the remaining proceeds of sale, minus 2% to the obligation secured by the trust, to the benefit of the trust's beneficiary.

16. For any reason permitted by law hereafter may from time to time appoint a successor or successors to any trust created herein.

senior trustee appointed hereunder. Upon such appointment, and without prejudice to the powers of a trustee, the latter shall be vested with all title, powers and duties conferred upon any trustee herein provided he is appointed under, and in an appointment and substitution of which he is a trustee, and is not excluded by beneficiary, continuing, in force, of the trust deed in which he is named, which, when read in conjunction with the provisions of

1. That, accepts the trust when the same was created and acknowledged as such a public record as provided by law. Trustee is not entitled to notice any party hereto of proceedings in any other body or of any action or proceeding in which same may be involved.

who is an native member of the Oregon State Bar, a full-time attorney in the United States, a life insurance company authorized to do business in and fully comply therewith.

NOTE: The Trust Does Act provides that the trustee hereunder must be either an attorney, who is an native member of the Oregon State Bar, or a person of integrity and high standing in business under the laws of Oregon or the United States, a duly licensed and duly qualified person in the property of this state, its counties, cities, towns 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.)

(OPS 93.490)

STATE OF ~~OREGON~~ California )  
County of Los Angeles ) ss.

April 7, 1980

Personally appeared the above named

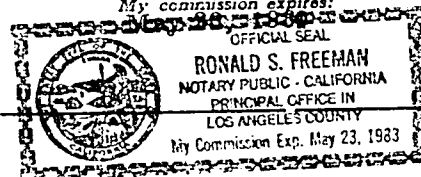
Bill H. Marczewski

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

(OFFICIAL SEAL) Before me:

Notary Public for Oregon

My commission expires:



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: , 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

(FORM No. 881)

STEVENS NESS LAW PUB CO., PORTLAND, ORE.

Mr. Marczewski  
15153 Dickens  
Sherman Oaks CA  
91403 Grantor  
Carter Van Petten  
11311 Burbank Blvd.  
N Hollywood CA  
91601 Beneficiary

AFTER RECORDING RETURN TO

BENEFICIARY

SPACE RESERVED  
FOR  
RECORDER'S USE

STATE OF OREGON

County of Klamath ) ss.

I certify that the within instrument was received for record on the 9th day of May, 1980, at 2:30 o'clock P.M., and recorded in book M80 on page 8560 or as file/reel number 84125.

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

Wm. D. Milne

County Clerk Title  
By Deputy

Fee \$7.00