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95118 78867

26th day of February

1979, between

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 3 in Block 3 OREGON SHORES SUBDIVISION-Tract #1053, in the County of Klamath, State of Oregon, as shown on the Map filed on October 3, 1973 in Volume 20, Pages 21 and 22 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 THREE THOUSAND TWO HUNDRED EIGHTY-SEVEN-----67/100 Dollars, with interest

thereon according to the terms of a promissory note of even date with this instrument, to wit: _____, 19____.

final payment of principal and interest hereof, if not sooner paid, to be due and payable on the date of the maturity of the debt secured by this instrument. 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.

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, and pay when due all costs incurred therefor.

3. To comply with all laws, ordinances, regulations, covenants, conditions and restrictions affecting said buildings or improvements pursuant to the Uniform Commercial Code as amended; the beneficiary may require and pay for filing same in connection with the financing of such buildings or improvements.

4. If the beneficiary is a public officer or offices, as well as the cost of all lien searches and other expenses incident to the financing of such buildings or improvements, the beneficiary shall also be responsible for maintaining insurance on the buildings or improvements.

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 and to the extent not less than \$ _____, to be written in the name of the beneficiary, not less than \$ _____, payable to the latter; all

an amount acceptable to the beneficiary, with loss payable to the beneficiary. If the policies of insurance shall be delivered to the beneficiary, then the insured shall be deemed to have assigned to the beneficiary all of its interest in such insurance and if the grantor shall fail for any reason to provide for the delivery of such insurance, the insured shall deliver said policies to the beneficiary within fifteen days prior to the expiration of the term of any policy. If the insured fails to deliver such insurance, the beneficiary may procure the same at grantor's expense. The amount of any insurance collected under any fire or other insurance policy may be paid to the beneficiary in such order as beneficiary may determine, or at the discretion of the beneficiary, the entire amount so collected, or any part thereof, may be released to grantor. Such application or release shall not constitute an admission of any default or notice of default hereunder or invalidate any other provision hereof, and shall not be deemed a breach of this agreement. This shall be done pursuant to such notice.

[illegible]

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 senior rights or powers of beneficiary or trustee; and in any action or proceeding in which the beneficiary or trustee may appear, including the proceeding in which the beneficiary or trustee's attorney's fees, including evidence of title and the beneficiary or trustee's attorney's fees; and the amount of attorney's fees incurred in this paragraph 7 in all cases shall be fixed by the trial court; and in the event of an appeal from any judgment of the trial court, the grantor further agrees to pay such sum as the appellate court shall adjudge 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

(c) consent to the making of any map or plat of said property; (h) join in any granting any easement or creating any restriction thereon; (i) join in any subordination or other agreement affecting all or any part of the property. The trust shall: (d) reconvey, without warranty, all of the property to the person or persons named in the deed as grantee in any reconveyance made by the trust; and (e) recitals therein of any matters or facts shall be conclusively proof of the truthfulness thereof. Trustee's fees for any of the foregoing shall be as set forth in the schedule attached hereto. The fee for any of the foregoing shall not be 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, 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 and decedent all sums secured hereby immediately due and payable in such an event shall be paid to the beneficiary and decedent to be used for agricultural, and if the above described real property is not so used, 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 and decedent may proceed to foreclose this trust deed in equity and advertisement and sale. In the latter event the beneficiary and decedent shall execute and cause to be recorded his written notice of default and his election to sell the said described real property. Immediately the obligations secured hereby, where required by law, and proceed to foreclose this trust deed in the manner provided in QRS.86.740 to \$6,795.

13. Should the beneficiary elect to foreclose by advertisement and sale required by law and proceed to foreclose this trust deed in accordance with the provisions required in ORS 86.740 to 86.795.

13. Should the beneficiary elect to foreclose by advertisement and sale then after default in the time prior to five days before the date set by the trustee for the trustee's sale, the grantor or other person so privileged by the trustee to sell the property, the grantor or his successors in interest, jointly and severally, shall pay to the beneficiary or his successors in interest, within the time specified in ORS 86.760, may pay to the beneficiary or his successors in interest, jointly and severally, the entire amount then due under the terms of the trust deed and the obligations secured thereby (including costs and attorney's fees not exceeding \$50 each) other than the portion of the principal as would not then be due had no default occurred, and thereby cure the default, in which event the beneficiary's proceedings shall be dismissed by the trustee.

[illegible]

15. Where the trustee sells pursuant to the powers provided herein, trustee shall notify the proceeds of sale to payment of (1) the expenses and (2) the obligation secured by the trust, (3) to all persons having recorded liens subsequent to the date of the trust agreement in the order of their priority and (4) the interest of the grantor or to his successor in interest entitled to such 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 or successors to any trustee named herein or to any successor trustee appointed hereunder. Upon such appointment, and without conveyance to the successor trustee, the trust shall be vested with all title, powers and duties conferred upon any trustee herein named or appointed hereunder. Every such appointment and substitution shall be made by written instrument, executed by beneficiary, containing reference to this instrument, and its place of record, which, when recorded in the office of the County Clerk or Recorder of the county or county of record of the property is situated, shall be conclusive proof of proper appointment of the successor trustee.

17. Trustee of the 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 power of sale 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 acting 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 life insurance company authorized to issue a policy of life insurance in this state, its subsidiaries, affiliates, agents or branches, or the United States or any agency thereof.