

TRUST DEED

as Beneficiary,

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 55, FAIR ACRES SUBDIVISION #1, according to the official plat thereof on file in the office of the County Clerk of Klamath County, Oregon

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 Thirteen Thousand Five Hundred Thirty Five and 62/100ths according to the terms of a promissory

sum of Thirteen thousand five hundred and no/100 Dollars, with interest thereon according to the terms of a promissory
 (\$13,535.62) 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 _____, 19_____.
 _____ is the date stated above, on which the final installment of said note

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; 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 by fire, flood, 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 liens 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 an amount not less than ~~the full ins.~~ the value written in all companies acceptable to the beneficiary, with the beneficiary as soon as insured; 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 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 on any indebtedness secured hereby and in such order as beneficiary may determine, or at option of beneficiary the entire amount so collected may in 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 act 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 the such taxes, assessments and other charges become past due or delinquent and promptly deliver receipts thereof 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 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 and mortgage, together with the obligations described in paragraph 4 hereof, of this hereby, together with the obligations described in paragraph 5 hereof, of this trust deed, shall be added to and become a part of the debt secured by this 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 hereinbefore described, as well as the grantor, shall be bound to the same extent herebefore described, as well as the grantor, shall be bound to the same extent herebefore described, and the nonpayment 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.

to actually incur. In and defend any action or proceeding purporting to affect the security rights or powers of beneficiary or trustee; and in any action or proceeding in which the beneficiary or trustee may appear, including any suit for the foreclosure of a mortgage, to pay all costs and expenses, including reasonable attorney's fees, and the beneficiary's or trustee's attorney's fees; that the amount of attorney's fees mentioned in this paragraph 7 in any action or proceeding fixed by the trial court and in the event of an appeal, the judgment or decree of the trial court shall be further increased to pay such sum as the appellate court shall deem 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 granting any easement or creating any restriction thereon; (c) join in any mortgage, deed, lease, or other instrument which may be required to effect the subordination or other agreement affecting this deed or any lien or charge thereon; (d) reconvey, without warranty, all or part of the property. The grantee in any reconveyance may be described as the "person or persons legally entitled to the property" 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.

10. Upon any default by grantor hereunder, beneficiary may at any time without notice, to the person, by agent or by a receiver to be appointed by the court and without regard to the adequacy of any security for 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 principal and interest due hereunder and apply the same to the payment of the principal and interest due hereunder and the costs and expenses of collection, including reasonable attorney's fees and any other indebtedness 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 event the beneficiary or his executor may proceed to foreclose this trust deed by exercising its power of sale or direct the trustee to foreclose this trust deed by exercising its power of sale. In the latter event the beneficiary or the trustee shall execute and cause to be recorded his written notice of default and of acceleration of the debt secured hereby and the trustee shall execute and cause to be recorded his written notice of sale of the property to sell the said described real property to satisfy the obligations secured hereby, whereupon the trustee shall file in the time and place of sale, give notice thereof as then required by law and proceed to foreclose this trust deed in accordance with the provisions of the California Civil Code, and the proceeds thereof as then required by law shall be distributed to the beneficiary in full. DR# 86.740 to 86.795.

13. Should the beneficiary elect to foreclose by advertisement and sale in accordance with ORS 86.740 to 86.795, then 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 privileged by ORS 86.600, to pay to the beneficiary or his successors in interest, respectively, the entire amount then due under the terms of the trust deed and the obligation secured thereby (including costs and expenses actually incurred in enforcing the terms of the obligation and trustee's actual fees and costs exceeding the amounts provided by law) together with that portion of the principal as would have been paid had no default occurred, and thereby cure the default, in which event all foreclosure proceedings shall be dismissed and the trustee shall be relieved of all obligations to the beneficiary.

14. Otherwise, the sale shall be held on the date and at the time and place designated in the notice of sale or the time to which said sale may be postponed as provided by law. The trustee may sell said property either in one parcel or in separate parcels and shall sell on the time of sale. Trustee's auction to the highest bidder for cash. The trustee shall execute a deed for the property so sold, but without any covenant or warranty, express or implied. The recitals in the deed of any person shall be conclusively presumed to be true. Any person, including the trustee, may purchase at the sale.

15. When trustee sells pursuant to the powers provided herein, trust 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 attorney, (2) to the obligations secured by the trust deed, (3) to all persons having recorded liens subsequent to the interest of the trustee in the trust property, (4) to the interests of the beneficiaries in the order of their priority and (5) to the 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 trust named herein or to conveyance to the successor trustee, the latter shall be vested with all the powers and duties conferred upon any trustee hereunder, each appointment shall be executed by beneficiary, and no substitution shall be made by will hereunder. Each appointment shall be recorded in the County Clerk's Office and its place of record, which, when recorded in the County Clerk's Office, shall constitute notice to all persons claiming an interest in the property is situated in the County of _____ State of _____.

Clerk or Recorder of the county of _____

_____,
County of _____ State of _____

Witness my hand and seal of proper appointment of 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 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 trust 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, the United States or any agency thereof, or an escrow agent licensed under ORS §§ 535 to 535.585.

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 except Deed of Trust dated 10/25/76, recorded 10/29/76 in Vol. M-76, page 17241, wherein Bruce E. Brink & Barbara L. Brink, are Grantors, First Federal Savings and Loan Association, is Beneficiary, which Trust Deed Grantors herein assume and agree to pay according to the terms thereof, and that he will warrant and forever defend the same against all persons whomsoever.

BUYERS HEREIN MAY NOT ASSIGN THEIR INTEREST IN THIS DEED OF TRUST AND THE NOTE IT SECURES WITHOUT WRITTEN PERMISSION OF THE BENEFICIARIES HEREIN.

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) -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 as 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, or is not to finance the purchase of a dwelling use Stevens-Ness Form No. 1306, or equivalent. If compliance with the Act is not required, disregard this notice.

(If the signer of the above is a corporation, use the form of acknowledgment opposite.)

STATE OF OREGON,

(ORS 93.490)

County of Klamath } ss.

Sept 30, 1980

Personally appeared the above named

JERALD JACKSON and CHARLENE M. JACKSON, husband and wife,

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

(OFFICIAL SEAL)

Notary Public for Oregon

My commission expires: 7/19/82

STATE OF OREGON, County of _____ ss.

Personally appeared _____, 19____, and _____ who, each being first

duly sworn, 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 the 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)

TRUST DEED

(FORM No. 881-1)

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

Grantor

Beneficiary

AFTER RECORDING RETURN TO

KCTCO

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 30th day of September, 1980, at 1:44 o'clock P.M., and recorded in book/reel/volume No. M80 on page 18772 or as document/fee/file/instrument/microfilm No. 90486, Record of Mortgages of said County.

Witness my hand and seal of County affixed.

Wm. D. Milne

By Bernetha A. Letsch Deputy

Fee \$7.00

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