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# TRUST DEED

DATE March 26, 1981

I. MICHAEL ANTHONY PEARSON & TANIA ALETHA MYRICK, GRANTOR, irrevocably grants, bargains, sells and conveys to Roderick C. Wendt, Trustee, in trust, with power of sale, for the benefit of JELD-WEN, inc., an Oregon corporation, Beneficiary, the following described property in Klamath County, Oregon, to-wit:

Lot 3, Block 4, Ferndale First Addition

together with all appurtenances, tenements, hereditaments, rights, profits, water rights, easements, or privileges now or hereafter belonging to, derived from or in anywise appertaining to the above-described premises. The above-described real property is not currently used for agricultural, timber or grazing purposes.

II. A. This deed is intended (1) to secure the payment of the sum of SIXTY ONE THOUSAND, EIGHT HUNDRED THIRTY and NO/100----------($61,830.00) DOLLARS, with interest thereon according to the terms of that certain Promissory Note dated March 26, 1981, payable to Beneficiary or to order and made by Grantor; and (2) to secure the payment of the further sum of 50% of the net profit, if any, realized by Grantor upon a transfer of the above described property on or before April 1, 1986, according to the terms of that same Promissory Note dated March 26, 1981, payable to Beneficiary or to order and made by Grantor; or (3) if no transfer occurs by April 1, 1986, or upon any acceleration or upon repayment of the indebtedness in full, to secure the payment of the further sum of 50% of the unrealized gain, if any, in the above-described property as of the earlier of these events, according to the terms of that same Promissory Note dated March 26, 1981, payable to Beneficiary or to order and made by Grantor. The final payment of principal and interest and such additional sums, if any are required, according to the terms of said Promissory Note, shall be due and payable, if not sooner paid, on May 1, 1986.

B. The date of maturity of the debt secured by this instrument is the date, stated above, on which the final installment of said Promissory Note becomes due and payable. In the event the above-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.

III. Grantor hereby convenants to and with the Trustee and the Beneficiary that Grantor is lawfully seized in fee simple of said premises and has a valid unencumbered title thereon, except:

IV. Grantor agrees (1) the Grantor shall pay said note according to the terms thereof; (2) that Grantor shall pay all taxes, assessments and other charges which may be levied or assessed against said property when due; (3) that Grantor will promptly discharge any liens against said property which are superior to the lien of this trust deed; (4) that Grantor shall keep the buildings now or which may hereafter be erected on the premises insured in favor of the Beneficiary against loss or damage by fire, with extended coverage, in the sum of $ 61,830.00, in a company acceptable to the Beneficiary, and shall name Beneficiary as an additional insured as Beneficiary's interest may appear, and proof of such insurance coverage shall be furnished by Grantor to Beneficiary at the time of closing of the sale of the above property and every year thereafter upon renewal of said policy; (5) that Grantor shall keep the buildings and improvements on said premises in good repair and condition, and shall not commit or suffer any waste of the premises; (6) that Grantor shall pay all costs of this trust including the cost of title search as well as the other costs and expenses of this trust incurred in connection with or in enforcing this obligation and trustee's and attorney's fees actually incurred; (7) that Grantor shall appear in and defend any action or proceeding purporting to affect the security rights or powers of the Beneficiary or Trustee, and in any such suit, action or proceeding in which the Beneficiary or Trustee may appear, including any suit for foreclosure of this deed, to pay all costs and expenses, including evidence of title and the Beneficiary's or Trustee's attorney's fees as 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 appellate court shall adjudge reasonable as the Beneficiary's or Trustee's attorney's fees on such appeal.

V. Upon written request of the Beneficiary, the Trustee may (1) consent to the making of any map or plat of said property; (2) join in granting any easement or creating any restriction thereon; (3) join in any subordination or other agreement affecting this deed or the lien hereof; (4) reconveyance 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 service in this paragraph shall be in an amount fixed by statute, if there be a statute, governing the same, or otherwise a reasonable amount.

VI. A. Time is of the essence of this Trust Deed and in the event Grantor shall default in the payment of any sum due under the terms of said Promissory Note or in the performance of any covenant of this Trust Deed, Beneficiary shall give Grantor 15 days written notice at 5747 Bartlett, Klamath Falls, Oregon.

specifying said default, and Grantor shall have 15 days in which to make said payment or perform such covenant, or to enter upon such performance and diligently pursue the same to completion, and if Grantor shall fail to do so, the Beneficiary shall have the right to declare the entire unpaid balance of said Promissory Note immediately due and payable. In such an event, the Beneficiary at Beneficiary's election may proceed to foreclose this Trust Deed in equity as a mortgage or direct the Trustee to foreclose this Trust Deed by advertisement and sale, or may pursue any other appropriate legal or equitable remedy.

B. Upon default and the giving of such 15-day notice thereof, Grantor shall have the option within said 15-day period to deed the above-described premises to the Beneficiary, by a form of estoppel deed in lieu of foreclosure, and beneficiary shall accept said deed and become entitled to the immediate possession of said property.

C. Upon default by the Grantor in the payment of said Promissory Note or in the performance of any covenant herein, and following 15 days notice without cure, the Beneficiary may declare all sums secured hereby immediately due and payable and may deliver to the Trustee a written notice of default and election to sell the property. Upon delivery of said notice of default and election to sell, the Beneficiary shall deposit with the Trustee this Deed of Trust and all promissory notes and documents evidencing expenditures secured hereby, whereupon the Trustee shall fix the time and place of sale and give notice thereof as then required by law.

D. When the 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 secured by the Trust Deed; (3) to all persons having recorded liens subsequent to the interest of the Trustee in the Trust Deed, as their interests may appear in order of their priority; (4) the surplus, if any, to the Grantor or to Grantor's successor in interest entitled to such surplus.

E. Grantor agrees that failure of the Beneficiary at any time to require performance by the Grantor of any provision of this Trust Deed or said note, shall in no way affect Beneficiary's right hereunder to enforce the same, nor shall any waiver of any breach of any provision hereof be held to be a waiver of any succeeding breach of any such provision, or as a waiver of the provision itself.

VII. The Trustee accepts this trust when this deed, duly executed and acknowledged, is made a public record as provided by law.

VIII. This Trust Deed inures to the benefit of and binds the parties hereto, their heirs, devisees, administrators, executors, successors and assigns. The term beneficiary shall mean the holder and owner, including pledge, of the contract secured hereby, whether or not named as a beneficiary herein.

IN WITNESS WHEREOF, Grantors have hereunto set their hands, all on the day and year first above written.

Michael Anthony Pearson

Tania Aletha Myrick

STATE OF OREGON )
) ss. March 26th, 19 81
COUNTY OF Klamath )

Personally appeared the above named Michael A. Pearson and Tania Aletha Myrick and acknowledged the foregoing instrument to their voluntary act and deed.

Before me: Linda Stelle

Notary Public for Oregon
My commission expires: 7/13/81

STATE OF OREGON )
) ss. March 26, 19 81
COUNTY OF Klamath )

I certify that the within instrument was received for record on the 26th day of March, 19 81, at 9:21 o'clock A m., and recorded in book/reel/volume no. M81 on page 5413 or as document/fee/file/instrument/microfilm no. 97609, Record of Mortgages of said County.

Witness my hand and seal of County affixed.

Evelyn Biehn
NAME

County Clerk
TITLE

BY Debra A Janzen
DEPUTY

After Recording Return To:

Mountain Title
407 Main
Klamath Falls, Or
97601

Fee $14.00