

**TRUST DEED**

January ....., 1982, between  
....., as Grantor,  
....., as Trustee,  
....., as Beneficiary,

**WITNESSETH:**

WITNESSETH:

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

Beginning from the corner of Sections 3, 4, 9 and 10 in Township 40 South, Range 9 East of the Willamette Meridian, in County of Klamath, State of Oregon, this being the pin South of Monument #3 as set by the Lovejoy Survey filed as Klamath County Survey #272; thence North 89° 50' 30" East a distance of 1314.24 feet to an iron pine; this being the pine South of Monument #4 of said Lovejoy Survey; thence North 89° 50' 30" East a distance of 1296.6 feet to a point; thence North 0° 11' 30" West a distance of 30 feet to the true point beginning of this description; thence North 0° 11' 30" West a distance of 334.0 feet to a point; thence 89° 50' 30" East a distance of 186.0 feet more or less to the West boundary of K.I.D. right of way for the E-5-2 Lateral; thence Southerly along the West boundary of said E-5-2 Lateral, as now constructed on the ground, to a point that is North 89° 50' 30" East 78.0 feet more or less from the true point of beginning; thence South 89° 50' 30" West a distance of 78.0 feet more or less to the true point of beginning.

EXCEPTING THEREFROM any portion of the above described property which may lie within the boundaries of the right of way of the Oregon State Highway #432, 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.

PERFORMANCE of each agreement of grantor herein contained and payment of the

FOR THE PURPOSE OF SECURING PERFORMANCE of each agreement of grantor herein contained and payment of the  
Twenty thousand and No/100 ..... Dollars, with interest

sum of Twenty thousand and No/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 final payment of principal and interest hereof, if not sooner paid, to be due and payable March 15 xx 2002

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 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 said premises against loss or damage by fire and such other causes 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; and policies of insurance shall be delivered to the beneficiary as soon as issued; if the grantor shall fail for any reason to cause 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 the beneficiary upon any indebtedness secured hereby and in such amount as the beneficiary may determine, or at option of the 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 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.

lees actually incurred. In the event that the beneficiary or trustee is required to defend any action or proceeding in which the beneficiary or trustee may appear, including any suit for the foreclosure of a mortgage, the beneficiary or trustee shall pay all costs and expenses, including the reasonable attorney's fees of the beneficiary or trustee, incurred by the beneficiary or trustee in the defense of any such action or proceeding. In the event of an appeal, the beneficiary or trustee shall pay such sums 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:

It is mutually agreed that:

8. In the event that any portion or all of said property shall be taken under the right of eminent domain, the beneficiary shall have the right, if he so desires, to require that all or any portion of the monies payable under such condemnation proceedings be paid to the beneficiary in order to pay all reasonable costs, expenses and attorney's fees necessarily incurred by grantor in such proceedings, and the beneficiary shall be entitled to pay all reasonable costs, expenses and attorney's fees, applied by it first to the payment of such costs, expenses and attorney's fees, and the balance applied to the payment of the balance of the monies secured hereby; and grantor agrees, at its own expense, to take such action and execute such instruments as shall be necessary in obtaining such monies for the beneficiary's request.

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 subordination or other agreement affecting this deed or the charges 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 thereto," and the recitals therein of any matters or facts shall be considered proof of the truthfulness thereof. Trustee's fees for any of the matters 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, by agent or by a receiver to be appointed by the court, enter upon and take possession of said property if the indebtedness hereby secured, enter upon and take possession of said property or any part thereof, in its own name and/or otherwise collect the rents, issues and profits, including those past due and/or to become due, and pay the less costs and expenses of operation of said property, including reasonable attorney's fees, any 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 heretofore made by the beneficiary may declare all sums secured hereby immediately due and payable. In such an event and if the above secured hereby immediately is currently used for agricultural, timber or grazing purposes, the beneficiary may proceed to foreclose this trust deed, 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 by advertisement and sale. In the latter event the beneficiary, or the trustee, as the beneficiary may elect, shall have the right of default and his election to sell the cause to be recorded his written order to satisfy 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 after the date 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 87.670, may pay to the beneficiary or his successors in interest, and the trustee, the entire amount then due under the obligation, together with and the obligation secured thereunder, together with the costs and expenses actually incurred in the obligation secured thereunder, together with the trustee's and attorney's fees not exceeding \$50 each) other than such portion of the principal as would not then be due had no default occurred, and thereby cure the default, in which event the obligation shall be deemed to have been paid by the trustee.

14. 14. Therefore, the sale shall be held on the date and at the time and  
place designated in the notice of sale. Trustee shall sell said property either  
in one parcel or in several parcels and shall sell the parcel or parcels at  
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 covenants or warranties. Trustee  
may, at his/her discretion, after the date of fact shall be conclusive proof  
of the recitals in the deed thereon. Any person, excluding the trustee, but including  
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 secured by the trust deed, (3) to all persons having recorded liens subsequent to the interest of the trustee in the trust subject to their 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.

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 inflexible shares and interest therein and powers and duties of the trustee named herein named or appointed shall be transferred to the successor trustee. Such appointment and substitution shall be made by written instrument executed by beneficiary, containing reference to this trust, filed with the County Clerk of the County of Cook, Illinois, and its place of record, which, when recorded, shall constitute notice to the County Clerk or Recorder of Deeds of the counties in which the property is situated, and shall constitute notice to all persons.

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.

