

TRUST DEED

as Grantor, TRANSAMERICA TITLE INSURANCE COMPANY, as Trustee, and
LEON LEWIS

as Beneficiary,

WITNESSETH:

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

Lot 23 and the N $\frac{1}{2}$ of Lot 24, FAIR ACRES SUBDIVISION #1, in the County of Klamath, State of 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 FIFTY-ONE THOUSAND SEVEN HUNDRED AND NO/100-----

sum of FIFTY-ONE THOUSAND SEVEN HUNDRED AND NO/1000 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 any, to be due and payable May 13, 2012.

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.

becomes 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 hazards as may be insured against from time to time, require, insure and warrant that the grantor shall cause to be procured and maintained by the grantor or the grantor's agent, broker or insurance company, a full insurable value, 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 the same are procured; and the grantor shall cause to be procured and maintained 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; and the beneficiary may procure the same at grantor's expense. The amount of any policy of insurance procured by the beneficiary shall be paid to the beneficiary upon any indebtedness secured hereby and any such amount so collected, or may determine, or at option of beneficiary, the entire amount so collected, or any part thereof, may be paid to the grantor. Such application or release shall not constitute or warrant any default or notice of default hereunder or invalidate any other provision of this agreement. The grantor shall cause to be procured and maintained pursuant to this notice.

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 all receipts therefor to beneficiary; should the grantor fail to make payment of any taxes, assessments, insurance premiums, liens or other charges payable by grantor, either by direct payment or by reimbursing 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 6 and 7 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 to all as to the grantor, shall be bound to the same extent that they are bound for the payment of the obligation herein described, and the payments shall be immediately due and payable without demand, 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.

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 any 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 paragraph 7 in all cases shall be 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.

ney's fees on such appeal.

8. In the event that any portion or all of said property shall be taken under the right of eminent domain or condemnation, beneficiary shall have the right, if it so elects, to require that all or any portion of the monies payable in compensation for such taking, which are in excess of the amount required to pay all reasonable costs, expenses and attorney's fees necessarily paid or incurred by grantor in such proceedings, shall be paid to beneficiary and applied by it first upon any reasonable costs and expenses and attorney's fees both in the trial and appellate courts, and the balance applied upon the indebtedness of beneficiary in such proceedings, and grantor agrees, at its own expense, to take such action and execute such instruments as shall be necessary in obtaining such compensation, promptly upon 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 to 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 said deed, the lien or charge thereon; (d) reconvey, without warranty, all or any part of the property. The grantee in any recital thereto, and 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, either in person, by agent or by a receiver to be appointed by a court, and without regard to any rights of security for the indebtedness herein provided, upon and take possession of said property in any part thereof, in its own name sur or otherwise collect the rents, issues and profits, including those past due and unpaid, and apply the same to the payment of the principal and interest on the indebtedness herein provided, less costs and expenses of operation and collection and of reasonable attorney's fees upon the 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 and on performance of any agreement hereunder, the beneficiary may declare all sums secured hereby immediately due and payable. In such an event the beneficiary at his election may proceed to foreclose this trust deed in equity as a mortgage or direct the trustee to do so. (this trust deed by advertisement of the trustee to the beneficiary or the trustee as secured creditor cause to be recorded his written notice of default and his election to foreclose and to sell the real property to satisfy the obligations secured hereby, whereupon the trustee shall fix the time and place of the sale of the real property to satisfy the obligations secured hereby, to foreclose this trust deed in equity as a mortgage or direct the trustee to do so.)

thereof as then required by Sections 86.740 to 86.795, of this chapter, to foreclose the same in the manner provided by Sections 86.740 to 86.795.

13. Should the beneficiary elect to foreclose by advertisement and sale, then as provided at any time prior to live days before the date set by the trustee for the trustee's sale, the grantor or other person so privileged by the deed to foreclose, may pay to the beneficiary or his successors in interest, respectively, the entire amount then due on the debt secured by the deed, together with the obligations of the beneficiary, including costs and expenses actually incurred in enforcing the terms of the obligation and trustee's and attorney's fees not exceeding the amounts provided by law other than such as are provided by the principal as would not then be due had no default occurred, and thereby curtail the sale, in which event all foreclosure proceedings shall be dismissed by the trustee.

the trustee.

1. 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 the parcel or parcels to the highest bidder for cash, payable at the time of sale. The trustee shall deliver to the purchaser its deed in fee simple, with or without warranty, as determined by law conveying the property so sold, but without any covenant or warranty, express or implied. The receipt of the purchaser for any matters of fact shall be conclusive proof of the truthfulness thereof. 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 commissions of the trustee and a reasonable charge by trustee to 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 property, having recorded liens subsequent to the interest of their priority and (4) the proceeds as 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 the death of any trustee or trustee appointed hereunder the power of appointment shall be vested with all title and powers and duties conferred upon any trustee herein named or appointed hereunder. Each such appointment and substitution shall be in writing and shall be filed in the office of the County Clerk of the County in which the property is situated and in the place of record, which, when recorded in the office of the County Clerk or Recorder of the county or counties in which the property is situated, shall constitute notice to all persons claiming an interest in the property.

17. Trustee accepts this trust when this deed, duly executed as 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 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, the United States or any agency thereof, or an escrow agent licensed under ORS 696.505 to 696.585.

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

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 the purchase, construction, improvement, maintenance, or repair of real property or 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.)

(ORS 93.490)

STATE OF OREGON,

County of Klamath

May 19 82

Personally appeared the above named

Kenneth B. Cook and Tamara Cook

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

Before me:

(OFFICIAL SEAL)

Notary Public for Oregon

My commission expires: 2/14/85

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)

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. 881-1)

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

Cook

Grantor

Lewis

Beneficiary

SPACE RESERVED
FOR
RECORDER'S USE

AFTER RECORDING RETURN TO
Transamerica Title Ins. Co.
600 Main Street
Klamath Falls, OR 97601
Attention: Julie Jarrett

STATE OF OREGON,

County of Klamath) ss.

I certify that the within instrument was received for record on the 14 day of May, 1982, at 10:54 o'clock A.M., and recorded in book/reel/volume No. M 82 on page 5972 or as document/fee/file/instrument/microfilm No. 11758, Record of Mortgages of said County.

Witness my hand and seal of County affixed.

Evelyn Biehn, County Clerk

By: [Signature] Deputy
Fee \$8.00