

TRUST DEED

Vol. M83 Page

17282

THIS TRUST DEED, made this 15 day of September, 1983, between
KENNETH W. CARR

as Grantor, TRANSAMERICA TITLE INSURANCE CO.
MOODY, TRUTTMAN & MEAMBER, a California partnership consisting
of John Moody, James M. Truttman and Jon Meamber
as Beneficiary,

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

As described on Exhibit A, attached hereto, and by this
reference made a part hereof.

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 connec-
tion with said real estate.

FOR THE PURPOSE OF SECURING PERFORMANCE of each agreement of grantor herein contained and payment of the
sum of One Hundred Thousand and No/100 (\$100,000.00) Dollars

note of even date herewith, payable to beneficiary or order and made by grantor, the final payment of principal and interest hereof, it
not sooner paid, to be due and payable September 15, 1994

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. See covenants attached as Exhibit B.

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 thereon, and pay when due all costs incurred therefor.

3. To comply with all laws, ordinances, regulations, covenants, condi-
tions and restrictions affecting said property; if the beneficiary so requests, to
join in executing such financing statements pursuant to the Uniform Commer-
cial 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 the beneficiary may from time to time require, in
companies acceptable to the beneficiary, with loss payable to the latter; 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 expira-
tion 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 benefi-
ciary upon any indebtedness secured hereby and in such order as beneficiary
may determine, or at option of 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
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 such taxes, assessments and other
charges become past due or delinquent and promptly deliver receipts therefor
to beneficiary; should the grantor fail to make payment of any taxes, assess-
ments, insurance premiums, liens or other charges payable by grantor, assess-
ment 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 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
covenant hereof and for such payments, with interest as aforesaid, the prop-
erty herebefore described, as well as the grantor, shall be bound to the
same extent that they are bound for the payment of the obligation herein
described, and all such payments shall be immediately due and payable with-
out notice, 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
action for the foreclosure of this deed, to pay all costs and expenses, includ-
ing 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 ap-
pellate court shall adjudge reasonable as the beneficiary's or trustee's attor-
ney's fees on such appeal.

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 or condemnation, beneficiary shall have the
right, if it so elects, to require that all or any portion of the monies payable
as 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/or
both in the trial and appellate courts, necessarily paid or incurred by benefi-
ciary in such proceedings, and the balance applied upon the indebtedness
secured hereby; and grantor agrees, at its own expense, to take such actions
and execute such instruments as shall be necessary in obtaining such com-
pensation, promptly upon beneficiary's request.

9. At any time and from time to time upon written request of benefi-
ciary, 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 lien or charge
thereof; (d) reconvey, without warranty, all or any 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 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 ap-
pointed by a court, and without regard to the adequacy of any security for
the indebtedness hereby secured, enter upon and take possession of said prop-
erty or any part thereof, in its own name sue or otherwise collect the rents,
issues and profits, including those past due and unpaid, and apply the same,
less costs and expenses of operation and collection, including reasonable attor-
ney's fees upon any indebtedness secured hereby, and in such order as bene-
ficiary 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
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 an
event 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 shall
execute and cause to be recorded his written notice of default and his election
to sell the said described real property 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 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
the trustee, 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 and attorney's fees not ex-
ceeding the amounts provided by law) other than such portion of the prin-
cipal as would not then be due had no default occurred, and thereby cure
the default, in which event all foreclosure proceedings shall be dismissed by
the trustee.

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 the parcel or parcels at
auction to 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 covenant or warranty, express or im-
plied. The recitals in the deed of 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 the payment of (1) the expenses of sale, in-
cluding 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 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 latter shall be vested with all title,
powers and duties conferred upon any trustee herein named or appointed
hereunder. Each such appointment and substitution shall be made by written
instrument executed by beneficiary, containing reference to this trust deed
and its 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 be conclusive proof 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 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, the United States or any agency thereof, or an escrow agent licensed under ORS 896.505 to 896.585.

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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 as set forth on Exhibit A, attached hereto and made a part hereof.

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 an organization, or (even if grantor is a natural person) are 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.

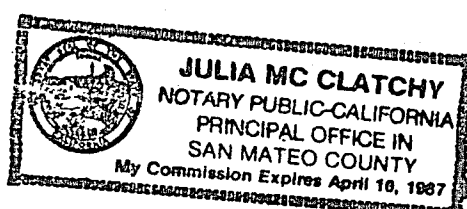
Kenneth W. Carr
Kenneth W. Carr

STATE OF CALIFORNIA
COUNTY OF SAN MATEO

} SS

ON September 23, 1983

undersigned, a Notary Public in and for said County and State, personally appeared
Kenneth W. Carr



PROVEN TO ME ON THE BASIS OF SATISFACTORY EVIDENCE

to be the person... whose name... is... subscribed to the within instrument, and acknowledged to me that... he... executed the same.

Notary's Signature

Julia Mc Clatchy

GENERAL ACKNOWLEDGMENT
Form No. 16

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)

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

KENNETH W. CARR

Grantor

MOODY, TRUTTMAN &
MEAMBER

Beneficiary

AFTER RECORDING RETURN TO
Foster & Purdy
P.O. Box 1667
Medford, OR 97501

SPACE RESERVED
FOR
RECORDER'S USE

STATE OF OREGON,

County of _____ } SS.

I certify that the within instrument was received for record on the _____ day of _____, 19_____, at _____ o'clock _____ M., and recorded in book/reel/volume No. _____ on page _____ or as fee/file/instrument/microfilm/reception No. _____. Record of Mortgages of said County. Witness my hand and seal of County affixed.

NAME

TITLE

By _____ Deputy

EXHIBIT A

Parcel 1

A tract of land situated in the NW1SW4 of section 3, T39S, R9EWM, Klamath County, Oregon, being a portion of Lot 3, Block 3, Tract 1080-Washburn Park, a duly recorded subdivision, and Parcel 2 of deed volume M77, page 648, of the Klamath County deed records, said tract being more particularly described as follows:

Beginning at the southeast corner of said Lot 3; thence N89°25'10"W, along the northerly line of Crosby Ave., 165.00 feet; thence N00°34'50"E 258.27 feet to the northerly line of said Lot 3; thence S89°56'20"E, along said northerly lot line and its extension, 223.44 feet to the westerly right of way line of the railroad; thence S00°14'04"W, along said right of way line, 260.31 feet to the said northerly line of Crosby Ave.; thence N89°25'10"W 60.00 feet to the point of beginning, containing 1.33 acres (58,137 sq. ft.), with bearings based on said Tract 1080-Washburn Park, the above described tract of land being subject to a 10-foot South Suburban Sanitary District sewer easement adjacent to and parallel with its easterly line as indicated in deed volume 301, page 479, of said county deed records.

1. Regulations, including levies, liens and utility assessments of the City of Klamath Falls.
2. Regulations, including levies, liens, assessments, rights of way and easements of the South Suburban Sanitary District.
3. Restrictions, but omitting restrictions, if any, based on race, color, religion or national origin, as shown on the recorded plat of Washburn Park.
4. An easement created by instrument, including the terms and provisions thereof,

Dated	: June 26, 1958	Book: 301	Page: 479
Recorded	: July 31, 1958		
In favor of	: South Suburban Sanitary District.		
(Portion Sec. 3, Twp 39 S., R 9 EWM.)			
5. An easement created by instrument, including the terms and provisions thereof, as disclosed by Warranty Deed

Dated	: February 26, 1968	Book: M-68	Page: 1534
Recorded	: February 27, 1968		
Reserving	: An easement to connect with sewer lines		
(Affects portion Sec. 3, Twp 39 S., R 9 EWM.)			



Exhibit "A-1"

6. Trust deed, including the terms and provisions thereof, with interest thereon and such future advances as may be provided therein, given to secure the payment of \$240,000.00

Dated	: December 10, 1982		
Recorded	: December 15, 1982	Book: M-82	Page: 17810
Trustor	: James M. Truttman		
Trustee	: Transamerica Title Insurance Company		
Beneficiary	: Scott Valley Bank, a California banking corporation		



EXHIBIT B
ADDITIONAL COVENANTS
OF GRANTOR

In addition to the other terms and conditions of this Trust Deed, Grantor further covenants and agrees as follows:

1. Contemporaneously herewith Grantor has assumed from beneficiaries responsibility for payment of \$160,000.00 to Scott Valley Bank of Yreka, California, which sum is part of a loan in the total amount of \$240,000.00, secured by a first mortgage on the property described herein. Grantor promises to pay each and every installment under said assignment as the same become due and payable. Grantor has additionally promised to assume the remaining \$80,000.00 of the Scott Valley Bank loan on or before September 15, 1984. Failure to make any payments under either assignment or to assume the remaining one-third interest of the bank loan as promised shall be a default in the terms of this trust deed.

2. This trust deed, and the note it secures, are based upon beneficiaries' knowledge of grantor, and they are relying upon him personally in entering into this transaction. Grantor agrees that he shall not sell, assign, transfer or otherwise hypothecate or alienate his interest under this trust deed or any interest in or to the real property secured by this trust deed without prior written consent of the beneficiaries. In the event grantor does or attempts to sell, assign, transfer or otherwise hypothecate or alienate his interest in this trust deed or the real property secured hereby he shall be considered in default hereunder and beneficiaries shall be entitled to declare the then remaining balance of principal and interest under the promissory note secured hereby immediately due and payable. Grantor acknowledges that this restriction upon his right to transfer or otherwise alienate his interest in this trust deed or the real property secured hereby is based upon the beneficiaries reliance upon his personal performance hereunder, and that he has freely agreed to this condition.

3. Any default in the terms or covenants of this trust deed, or in payments of the promissory note secured hereby, shall entitle beneficiaries to declare the then remaining balance of principal and interest owing under the promissory note immediately due and payable and to foreclose this trust deed in any manner provided by law.



STATE OF OREGON: COUNTY OF KLAMATH: ss
I hereby certify that the within instrument was received and filed for record on the 10th day of October A.D., 1983 at 10:46 o'clock AM, and duly recorded in Vol M83, of Mortgages on page 17282.

EVELYN BIEHN, COUNTY CLERK

FEE \$ 20.00

by Barbara Smith deputy