

56225

K-37926
TRUST DEED

STEVENS-NESS LAW PUBLISHING CO., PORTLAND, OR. 97208

Vol. M85 Page 20101

THIS TRUST DEED, made this 31st day of March, 1983, between
 OUTFRIGGER, LTD., A California Limited Partnership
 as Grantor, LAWYERS TITLE INSURANCE CORPORATION
 GILBOA CORPORATION, A California Corporation, as Trustee, and
 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:

AS MORE PARTICULARLY DESCRIBED IN EXHIBIT "A" ATTACHED HERETO AND MADE A PART HEREOF

THIS IS AN ALL-INCLUSIVE TRUST DEED, FOR FURTHER PROVISIONS SEE EXHIBIT "B" ATTACHED
 HERETO AND 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 MILLION FIVE HUNDRED TWENTY THOUSAND AND NO/100

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 February 1, 2016

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 deed, grantor agrees:
 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
 an amount not less than \$ N/A

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, 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 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 prop-
 erty hereinafter 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
 any suit for the foreclosure of this deed, to pay all costs and expenses, in-
 cluding 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.

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
 applied by it first upon any reasonable costs and expenses and attorney's fees,
 both in the trial and appellate courts, necessarily paid or incurred by ben-
 efiary 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 bene-
 ficiary, 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
 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 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
 ORS 86.760, may pay to the beneficiary or his successors in interest, respec-
 tively, 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 and shall sell the parcel or parcels at the
 time of sale. The 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 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 696.505 to 696.506.

201C2
The grantor covenants and agrees to and with the beneficiary and those claiming under him, that he is law-
fully 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 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, execu-
tors, 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.

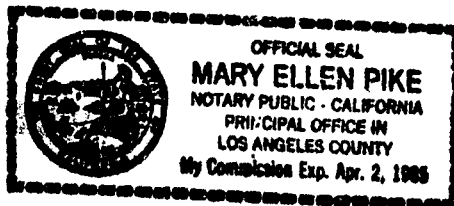
(If the signer of the above is a corporation,
use the form of acknowledgment opposite.)

OUTRIGGER, LTD.

By: Gerald L. Schulman
Gerald L. Schulman, General Partner

STATE OF CALIFORNIA

COUNTY OF Los Angeles } ss.



On this 31ST day of MARCH, in the year 1983
before me, the undersigned, a Notary Public in and for said State, personally appeared
GERALD L. SCHULMAN, GENERAL PARTNER

(or proved to me on the basis of satisfactory evidence) to be the person who executed the
within instrument on behalf of the Limited Partnership named therein, and acknow-
ledged to me that the Limited Partnership executed it.

WITNESS my hand and official seal.

Mary Ellen Pike
Notary Public in and for said State.

ACKNOWLEDGMENT—General or Limited Partnership—Wolcotts Form 36CA—Rev. 5-82
©1982 WOLCOTTS, INC.

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.

Grantor

Beneficiary

AFTER RECORDING RETURN TO

28552

SPACE RESERVED
FOR
RECORDER'S USE

STATE OF OREGON,

County of _____ } ss.

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

By _____

TITLE

Deputy

EXHIBIT A

The following described real property situate in Klamath County, Oregon:

PARCEL 1:

Lot 2 in Block 7 of ORIGINAL TOWN OF LINKVILLE, now City of Klamath Falls, according to the official plat thereof on file in the office of the County Clerk of Klamath County, Oregon.

PARCEL 2:

A parcel of land situated in Block 8 of ORIGINAL TOWN OF LINKVILLE, now City of Klamath Falls, Oregon, more particularly described as follows: Beginning at the most Southerly corner of Lot 4 in said Block 8; thence N. $39^{\circ}04'50''$ E. along the Northwestern line of Pine Street a distance of 102.83 feet to a cross chiseled in the sidewalk; thence N. $51^{\circ}03'32''$ W. a distance of 120.0 feet to the Northwestern line of Lot 3 in said Block 8; thence S. $39^{\circ}02'39''$ W. along the Northwestern lines of Lots 3 and 4, said Block 8 a distance of 102.56 feet, more or less, to the Northeasterly line of Fourth Street; thence S. $50^{\circ}55'$ W. along said Northeasterly line and the Westerly line of Lot 4 a distance of 120.0 feet, more or less, to the point of beginning.

ALSO the Southeasterly 6.0 feet of Lot 5 in said Block 8.

PARCEL 3:

A parcel of land situated in Lots 7 and 8 of Block 18, ORIGINAL TOWN OF LINKVILLE, now City of Klamath Falls, Oregon, more particularly described as follows:

Beginning at a point on the Northeasterly line of said Lot 8 which bears S. $50^{\circ}53'17''$ E. a distance of 60.10 feet from the most Northerly corner of said Lot 8, which point being the most Northerly corner of Parcel described in deed from Gordon O. Erlandson, et al to Frank F. Ganong et al, recorded in Volume M77, page 1120, Deed Records of Klamath County, Oregon; thence S. $39^{\circ}07'03''$ W. a distance of 123.38 feet to the most Southerly corner of parcel described in deed from Frank F. Ganong, et al, to Gordon O. Erlandson, et al, recorded in Volume M76 page 19058, Deed Records of Klamath County, Oregon; thence N. $50^{\circ}52'57''$ W., along the Southwesterly line of last mentioned parcel, a distance of 59.97 feet, more or less, to the Northwestern line of said Lot 7; thence N. $39^{\circ}03'27''$ E. along said Northwestern line, a distance of 123.38 feet, more or less, to the most Northerly corner of said Lot 8; thence S. $50^{\circ}53'17''$ E. along the Northeasterly line of Lot 8 a distance of 60.10 feet to the point of beginning.

EXHIBIT "B" TO ALL-INCLUSIVE PURCHASE MONEY DEED OF TRUST
BY AND BETWEEN OUTRIGGER, LTD., A California Limited Partnership AS TRUSTOR
AND GILBOA CORPORATION, A California Corporation AS BENEFICIARY

20104

This is an all-inclusive purchase money deed of trust, securing an all-inclusive purchase money promissory note in the original principal amount of Dollars (\$1,520,000.00) (the "Note") which includes within such amount the unpaid balance of the following:

(a) A promissory note in the original principal sum of Dollars (\$167,500.00) in favor of FIRST FEDERAL SVGS. & LN. ASSOC. OF KLAMATH FALLS as Payee, secured by a deed of trust recorded April 15, 1971, as Document No. _____, in Book M71, Page 3252, Official Records of Klamath County, Oregon, and

(b) A promissory note in the original principal sum of Dollars (\$650,000.00) in favor of KVP COMPANY, a Joint Venture as Payee, secured by a deed of trust recorded March 31, 1983, as Document No. _____, in Book M83, Page 4946, Official Records of Klamath County, Oregon.

(The Promissory Notes secured by such deed of trust are hereinafter called the "Underlying Notes").

Trustor and Beneficiary Mutually Agree:

(A) By Beneficiary's acceptance of this All-Inclusive Purchase Money Deed of Trust, Beneficiary covenants and agrees that provided Trustor is not delinquent or in default under the terms of the Note secured hereby, Beneficiary shall pay all installments of principal and interest which shall hereafter become due pursuant to the provisions of the Underlying Note(s) as and when the same become due and payable. In the event Trustor shall be delinquent or in default under the terms of the Note secured hereby, Beneficiary shall not be obligated to make any payments required by the terms of the Underlying Note(s) until such delinquency or default is cured. In the event Beneficiary fails to timely pay any installment of principal or interest on the Underlying Note(s) at the time when Trustor is not delinquent or in default under the terms of the Notes secured hereby Trustor may at Trustor's option make such payments directly to the holder of such Underlying Note(s), in which event Trustor shall be entitled to a credit against the next installment(s) of principal and interest due under the terms of the Note secured hereby equal to the amount so paid and including, without limitation, any penalty, charges and expenses paid by Trustor to the holder of the Underlying Note(s) on account of Beneficiary's failing to make such payment. The obligations of Beneficiary hereunder shall terminate upon the earliest of (i) foreclosure of the lien of this All-Inclusive Purchase Money Deed of Trust, or (ii) cancellation of the Note secured hereby and reconveyance of this All-Inclusive Purchase Money Deed of Trust.

Should Trustor be delinquent or in default under the terms of the Note secured hereby, Beneficiary consequently incurs any penalties, charges, or other expenses on account of the Underlying Note(s) during the period of such delinquency or default, the amount of such penalties, charges, and expenses shall be immediately added to the principal amount of the Note secured hereby and shall be immediately payable by Trustor to Beneficiary. If at any time the unpaid balance of the Note secured hereby, accrued interest thereon, and all other sums due pursuant to the terms thereof and all sums advanced by Beneficiary pursuant to the terms of this Deed of Trust, is equal to or less than the unpaid principal balance of the Underlying Note(s) and accrued interest thereon the Note secured hereby, at the option of Beneficiary, shall be cancelled and said property shall be reconveyed from the lien of this Deed of Trust.

(B) Trustor and Beneficiary agree that in the event the proceeds of any condemnation award or settlement in lieu thereof, or the proceeds of any casualty insurance covering destructible improvements located upon said property, are applied by the holder of the Underlying Note(s) in reduction of the unpaid principal amount thereof, the unpaid principal balance of the Note secured hereby shall be reduced by an equivalent amount and be deemed applied to the last sums due under the Note.

(C) At such times as the Note secured hereby becomes all due and payable, the amount of principal and interest then payable to Beneficiary thereunder shall be reduced by the then unpaid balance of principal and interest due on the Underlying Note(s).

(D) Any demand hereunder delivered by Beneficiary to Trustee for the foreclosure of the lien of this Deed of Trust may be not more than the sum of the following amounts:

20105

(1) The difference between the then unpaid balance of principal and interest on the Note secured hereby and the then unpaid balance of principal and interest on the Underlying Note(s); plus

(ii) The aggregate of all amounts theretofore paid by Beneficiary pursuant to the terms of this Deed of Trust prior to the date of such foreclosure sale, for taxes and assessments, insurance premiums, delinquency charges, foreclosure costs, and any other sums advanced by Beneficiary pursuant to the terms of this Deed of Trust, to the extent the same were not previously repaid by Trustor to Beneficiary; plus

(iii) The costs of the foreclosure hereunder; plus attorney fees and costs incurred by Beneficiary in enforcing this Deed of Trust or the Note secured hereby as permitted by law.

(E) Notwithstanding any provision to the contrary herein contained, in the event of a Trustee's sale in furtherance of the foreclosure of this Deed of Trust, the balance then due on the Note secured hereby, for the purpose of Beneficiary's demand, shall be reduced, as aforesaid, by the unpaid balance, if any, of principal and interest then due on the Underlying Note(s), satisfactory evidence of which unpaid balances must be submitted to Trustee prior to such sale. The Trustee may rely on any statements received from Beneficiary in this regard and such statements shall be deemed binding and conclusive as between Beneficiary and Trustor, on the one hand, and the Trustee, on the other hand, to the extent of such reliance.

Signed, Sealed and Delivered
in the presence of:

Diane Greenleaf
Lisa Ellis

Signature of Trustor:

OUTRIGGER, LTD.

By: Gerald L. Schulman
Gerald L. Schulman, General Partner

Signed, Sealed and Delivered
in the presence of:

Diane Greenleaf
Lisa Ellis

GILBOA CORPORATION

By: Philip November
Philip November, Vice President

STATE OF CALIFORNIA

COUNTY OF Los Angeles



Return to:
Lawyers Escrow
8920 Wilshire Blvd., Suite
90211

On this 31ST day of MARCH, in the year 1983
before me, the undersigned, a Notary Public in and for said State, personally appeared
Philip November, Vice President

_____, personally known to me
(or proved to me on the basis of satisfactory evidence) to be the person who executed the
within instrument on behalf of the Corporation therein named, and acknowledged to me that
the Corporation executed it.

WITNESS my hand and official seal.

Mary Ellen Pike
Notary Public in and for said State.

STATE OF OREGON: COUNTY OF KLAMATH: 88.

Filed for record at request of _____ the 11th day
of December A.D., 19 85 at 9:36 o'clock A M., and duly recorded in Vol. 485