

THIS TRUST DEED, made this 1st day of April , 1985, between
 DOUGLAS E. WILSON, as Grantor,
 GRETHER TITLE INSURANCE CO., AN OREGON CORPORATION, as Trustee,
 and HAROLD C. HARDESTY, 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:

Beginning at an iron pin at the Southwest corner of Lot 25, Frontier Tracts, said corner being South 0 deg. 36' West a distance of 669.4 feet and South 89 deg. 24' West a distance of 460 feet from the center 1/4 corner of said Section 19; thence North 0 deg. 36' East a distance of 150 feet to the true point of beginning, and continuing thence North 0 deg. 36' East a distance of 97 feet to an iron pin; thence South 89 deg 24' East a distance of 50 feet to an iron pin; thence North 0 deg. 36' East a distance of 99.2 feet to an iron pin on the South line of A Street, Frontier Tracts, according to the duly recorded plat thereof; thence North 89 deg. 17' East along the South line of A Street to its (reverse)

pertinences and all other rights thereto belonging or in anywise 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 **Bighty Six 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 1 JAN 1986.

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 expand 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 therewith.

3. To comply with all laws, ordinances, regulations, covenants, conditions and restrictions affecting said property, if the beneficiary so requests, to furnish him with financial statements pursuant to the Uniform Consumer Credit Code, if the beneficiary may require, and to pay for filing same in the proper public offices or offices as well as the cost of all expenses made by filing offices or searching agencies as may be deemed desirable by the beneficiary.

4. To provide and continuously maintain insurance on the buildings and/or fixtures 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 not less than **1 Value** maximum insurable amount written in compensation acceptable to the beneficiary, with loss payable to the latter, all policies of insurance shall be delivered to the beneficiary as soon as issued; if the grantor shall fail for any reason to procure any such insurance and to deliver the same to the beneficiary or fails 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 amounts collected under any fire or other insurance policy may be applied by beneficiary upon any indebtedness secured hereby, and such order or direction of 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 mechanics' 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, assessments, insurance premiums, fees or other charges payable by grantor either by direct payment or by providing beneficiary with funds with which to make such payment, in beneficiary's way at its option, make payment thereof, and the amount so paid with interest at the rate set forth on the note secured hereby, together with the additional described in paragraphs 6 and 7 of his 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 hereinabove 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 without 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 the 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 the obligation, and trustee's and attorney's fees actually expended.

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 such action or proceeding in which the beneficiary or trustee may be included, to pay all costs and expenses, including evidence of rate and the beneficiary's or trustee's attorney's fees, if 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.

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, at no extra charge, 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 reduced by a sum equal to any reasonable costs and expenses and attorney's fees, both on the trial and appellate courts, and by a sum so incurred by beneficiary in such proceedings, and the balance apportioned between the indorsements secured hereby and grantor agrees, at its own expense, to take such actions 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 for

endorsement (in case of full reconveyance, 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 any partition, assessment or creating any restriction thereon, (c) join in any subscription or other agreement affecting the deed or the land or charge thereon; (d) record without warranty, all or any part of the property. The grantee in any reconveyance shall be described as the "person or persons legally entitled thereto," and the records thereon of any matters or facts shall be conclusive proof of the truthfulness of the record and attorney'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, be appointed by a court, and without regard to the adequacy of any security for the indebtedness hereby secured, enter upon and take possession of said property or any part thereof, in its own name sue for 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 attorney's fees upon any indebtedness secured hereby, and in such order as beneficiary may determine.

11. Upon 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 for events 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 beneficiary as he election may proceed to foreclose that trust deed in equity as a mortgage in the manner provided by law for mortgage foreclosures or direct the trustee to foreclose the trust deed by advertisement and sale. In the latter event the beneficiary or the trustee shall execute and cause to be recorded a written notice of default and his election to sell the said described property to satisfy the obligations secured hereby whereupon the trustee shall in the same place of sale, give notice thereof as then required by law and proceed to foreclose the trust deed in the manner provided in ORS 86.730 to 86.795.

13. Should the beneficiary elect to foreclose by advertisement and sale thereafter 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, respectively, 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 exceeding the amounts provided by law), other than such portion of the principal as would not then be due had no default occurred, and thereby cure the default, to 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 on the notice of sale. 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 the deed as form as required by law conveying the property so sold, but without any covenant or warranty, express or implied. The recitals in the deed at any time of fact shall be conclusive proof of the truthfulness thereof. Any person, including 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 items subsequent to the interest of the trustee in the title 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 to any appointed trustee. 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 succession shall be made by written instrument executed by beneficiary, counter-signed 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 suit 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.

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 herein described real property is not currently used for agricultural, timber or grazing purposes.

This deed applies to, insures to the benefit of and binds all parties hereto, their heirs, legatees, devisees, administrators, executors, successors and assigns. The term beneficiary shall mean the holder and owner, including pledgee, of the note 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.

Douglas E. Wilson
Douglas E. Wilson

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

STATE OF OREGON,

County of Jackson

1985

STATE OF OREGON, County of

19

Personally appeared the above named DOUGLASS
E. WILSON
and acknowledged the foregoing instrument
to be his voluntary act and deed.

Personally appeared

who, being duly sworn,
president and that the latter is the
secretary of

a corporation,
of said corporation and that said 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:

(OFFICIAL
SEAL)

Dee M. Mueller
Notary Public for Oregon
My commission expires: 6-26-85

(OFFICIAL
SEAL)

TRUST DEED

Douglas E. Wilson
HARRIMAN RANCH
KIRKHAMTH FARM OR 97601

AFTER RECORDING MAIL TO

HEROLD C HARDERTY

1291 OAK ST

ASTORIA OR 97101

Beneficiary

STATE OF OREGON

County of

I certify that the within instrument was received for record on the day of
at o'clock M., and recorded or as
in book filing fee number Rec-
ord of Mortgages of said County.

Witness my hand and seal of
County affixed

Title

Deputy

By

REQUEST FOR FULL RECONVEYANCE
To be used only when obligations have been paid.

Trustee

TO:

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 sum 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:

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Beneficiary

On receipt of copy of this Trust Deed OR THE NOTE which it secures. Both must be delivered to the trustee for cancellation before reconveyance will be made.

I - 990

PROMISSORY NOTE

\$ 86,000⁰⁰

Each of the undersigned promises to pay to the order of 1ST, APRIL, 1985
at HAROLD C. HARDESTY

EIGHTY SIX THOUSAND AND 09/00 DOLLARS
with interest thereon at the rate of 10(TEN) percent per annum from
1ST APRIL 1985 until paid, payable in ONE
installments of not less than \$ 86,000.00 in any one payment;
interest shall be paid and *in addition to *is included
in the minimum payments above required; the first payment to be made on
the 1ST day of JANUARY, 1986, and a like payment on
thereafter, until the whole sum,
principal and interest has been paid; if any of said installments is not
so paid, the whole sum of both principal and interest to become
immediately due and collectible at the option of the holder of this
note. If this note is placed in the hands of any attorney for
collection, each of the undersigned promises and agrees to pay the
reasonable collection costs of the holder hereof; and if suit or action
is filed hereon, also promises to pay (1) holder's reasonable attorney's
fees to be fixed by the trial court and (2) if any appeal is taken from
any decision of the trial court, such further sum as may be fixed by the
appellate court, as the holder's reasonable attorney's fees in the
appellate court.

This note is secured by a trust deed on real property in KLAMATH
County, Oregon and subsequent matters of public record may affect the
security, identity of the holder, or other terms hereof. So long as the
trust deed remains as security for this note, any transaction relating
to this note or the trust deed must be recorded in the above county in
order to be effective as to the trustee.

Due 1ST JAN, 1986

X Douglas E. Wilson

AT _____

NO. _____

STATE OF OREGON: COUNTY OF KLAMATH: ss.

Filed for record at request of _____ of January A.D. 19 86 at 3:55 o'clock P.M., and duly recorded in Vol. M86 the 20th day
of Mortgages on Page 988.

Evelyn Biehn, County Clerk
By John Smith

FEE \$13.00