

88006167258

## TRUST DEED

Vol. M/SV Page

19038

THIS TRUST DEED, made this 20<sup>th</sup> day of AUGUST, 1986, between  
**JDS RONG**, as Grantor,  
**ASPEN TITLE & ESCROW, INC., an OREGON CORPORATION** as Trustee, and **FN REALTY SERVICES, INC., a CALIFORNIA CORPORATION**, TRUSTEE as Beneficiary.

**Grantor irrevocably grants, bargains, sells and conveys to trustee in trust, with power of sale, the property in KLAMATH COUNTY, OREGON, described as:**

Lot 20 in Block 23 of Tract 1112-Oregon Shores-Unit 2 as shown on the map filed on December 9, 1977 in Volume 21, Page 20 of Maps in the office of the County Recorder of said County.

WITNESSETH:

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 ONE HUNDRED FIFTY DOLLARS, WITH INTEREST THEREON ACCORDING TO THE TERMS OF A PROMISSORY NOTE OF EVEN DATE HEREWITHE, PAYABLE TO THE BENEFICIARY OR ORDER AND MADE BY GRANTOR, THE FINAL PAYMENT OF PRINCIPAL AND INTEREST HEREOF, IF NOT SOONER PAID, TO BE DUE AND PAYABLE SEPTEMBER 1, 1990.

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 WRITTEN 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 CONSIDERED 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 HEREAFTER SHALL BECOME IMMEDIATELY DUE AND PAYABLE.

THE ABOVE DESCRIBED REAL PROPERTY IS NOT CURRENTLY USED FOR AGRICULTURAL, TIMBER OR GRAZING PURPOSES.

1. 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 REPAIR, PROMPTLY AND IN GOOD AND WORKMANLIKE MANNER ANY BUILDING OR IMPROVEMENT WHICH MAY BE CONSTRUCTED, DAMAGED OR DESTROYED THEREON.

3. TO COMPLY WITH ALL LAWS, ORDINANCES, REGULATIONS, COVENANTS, CONDITIONS, AND RESTRICTIONS AFFECTING SAID PROPERTY; IF THE BENEFICIARY SO REQUESTS, TO JUICE IN EXECUTING SUCH FINANCING STATEMENTS PURSUANT TO THE UNIFORM COMMERCIAL CODE AS THE BENEFICIARY MAY REQUIRE AND TO PAY FOR SUCH JUICE IN THE PROPER PUBLIC OFFICE OR OFFICES AS WELL AS THE COST OF ALL LIAIS SERVICES MADE BY JUICE OFFICERS OR SEARCHING AGENCIES AS MAY BE DEEMED NECESSARY 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 \$100,000.00, WRITTEN IN COMPANIES ACCEPTABLE TO THE BENEFICIARY WITH LOSS PAYABLE TO THE LENDER; IF POLICIES OF INSURANCE SHALL BE DELIVERED TO THE BENEFICIARY AS SOON AS INSURED; IF THE GRANTOR SHALL FAIL FOR ANY REASON TO PROSECUTE ANY 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 PROSECUTE THE SAME AT GRANTOR'S EXPENSE. THE AMOUNT OUTSTANDING UNDER ANY SUCH INSURANCE POLICY MAY BE APPLIED BY THE BENEFICIARY 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 PORTION THEREOF, MAY BE RELEASED TO GRANTOR. SUCH APPLICATION OR RELEASE SHALL NOT CURE OR WAIVE ANY DEFAULT OR NOTICE OF DEFAULT HEREUNDER OR DISINHIBIT ANY ACT DONE PURSUANT TO SUCH NOTICE.

5. TO KEEP SAID PROPERTY FREE FROM CONSTRUCTION TAXES AND TO PAY ALL TAXES, ASSESSMENTS AND OTHER CHARGES THAT MAY BE IMPOSED OR ASSESSED UPON OR AGAINST SAID PROPERTY, BEFORE ANY PART OF SUCH TAXES, ASSESSMENTS AND OTHER CHARGES BECOME PAYABLE OR DELINQUENT AND PROMPTLY DELIVER RECEIPTS THEREFOR TO BENEFICIARY; SHOULD THE GRANTOR FAIL TO MAKE PAYMENT OF ANY TAXES, ASSESSMENTS, INSURANCE PREMIUMS, LIENS OR OTHER CHARGES PAYABLE BY GRANTOR, WHETHER DIRECT PAYMENT, BY PAYMENT TO BENEFICIARY WITH WHICH TO MAKE SUCH PAYMENT, OR BY PROVIDING AN OPTION, MAKE PAYMENT THEREOF, AND THE AMOUNT TO PAY, WITH INTEREST AT THE RATE SET FORTH IN THE NOTE SECURED HEREBY, TOGETHER WITH THE OBLIGATIONS DESCRIBED IN PARAGRAPH 6 AND 7 OF THIS TRUST DEED, ALL 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 HEREIN, AS WELL AS FOR SUCH PAYMENTS, WITH INTEREST AS AFORESAID, THE PROPERTY THAT 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, AT THE OPTION OF THE BENEFICIARY, RENDER ALL SUMS SECURED BY THIS TRUST 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 TRUST INCURRED IN CONNECTION WITH THIS OBLIGATION.

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 FORECLOSURE OF THIS DEED, TO PAY ALL COSTS AND EXPENSES, INCLUDING ATTORNEY'S FEES AND THE BENEFICIARY'S OR TRUSTEE'S ATTORNEY'S FEES, PROVIDED, HOWEVER, IN CASE THE SUIT IS BEING BROUGHT BY THE ATTORNEY'S FEES HERIN DESCRIBED, THE AMOUNT OF ATTORNEY'S FEES MENTIONED IN THIS PARAGRAPH 7 IN ALL CASES SHALL BE FIXED BY THE TRIAL COURT OR BY THE APPELLATE COURT IF AN APPEAL IS TAKEN.

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 BE NEEDED, 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, BE PAID TO THE BENEFICIARY IN SUCH A MANNER AS NECESSARY, AND APPLIED BY IT AT FIRST WITH ANY REASONABLE COURTS, PROCEDURES, EXPENSES AND ATTORNEY'S FEES, BOTH IN THE TRIAL AND APPEAL COURTS, APPLIED UPON THE INDEBTEDNESS SECURED HEREBY; AND GRANTOR AGREES, AT HIS 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, IN PAYMENT OF ITS FEES AND EXPENSES, 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

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.

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.

7213-03012

...will warrant and forever defend the same against all persons whomsoever.

8383, 19039

STATE OF

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.

You have the option to cancel your contract or agreement of sale by notice to the seller until midnight of the fourteenth day following the signing of the contract or agreement.

If you did not receive a Property Report prepared pursuant to the rules and regulations of the Office of Interstate Land Sales Registration, U.S. Department of Housing and Urban Development, in advance of your signing the contract or agreement, this contract or agreement may be revoked at your option for two years from the date of signing.

\* 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 or 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. If compliance with the Act not required, disregard this notice.

[If the signer of the above is a corporation, use the form of acknowledgment opposite.]

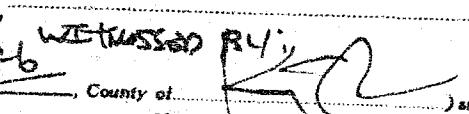
STATE OF \_\_\_\_\_

County of \_\_\_\_\_

} ss.  
19.....

IORS 93.490

STATE OF \_\_\_\_\_, County of \_\_\_\_\_, 19.....

WITNESSED BY: 

Personally appeared the above named  
and acknowledged the foregoing instrument  
to be a voluntary act and deed.

STATE OF CALIFORNIA,

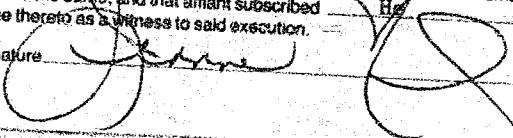
COUNTY OF LOS ANGELES

ss.

On this the 20 day of AUGUST 1986 before me,  
the undersigned, a Notary Public in and for said County and State,  
personally appeared KERRY PENN  
personally known to me to be the person whose name is subscribed to  
the within instrument as a witness thereto, who being by me duly sworn,  
deposed and said: That KERRY PENN  
resides at 18840 Ventura Blvd.  
Tarzana, CA 91356

was present and saw Jose Rangel

personally known to KERRY PENN to be that person described  
in, and whose name is subscribed to the within and annexed instrument,  
execute the same; and that affiant subscribed His  
name thereto as witness to said execution.

Signature: 



FOR NOTARY SEAL OR STAMP



OFFICIAL SEAL  
JEANNE NIGH  
Notary Public-California  
LOS ANGELES COUNTY

My Comm. Exp. Aug. 18, 1989

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

Grantor

Beneficiary

AFTER RECORDING RETURN TO

FN REALTY SERVICES, INC.  
35 N. Lake Ave., Suite 300  
Pasadena, CA 91101

Fee: \$9.00

STATE OF OREGON

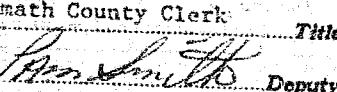
ss.

County of Klamath

I certify that the within instrument was received for record on the  
20th day of October, 1986,  
at 10:21 o'clock A.M., and recorded  
in book N36 on page 19038.  
or as file/reel number 67258.

Record of Mortgages of said County.  
Witness my hand and seal of  
County affixed.

Evelyn Biehn,

Klamath County Clerk Title  
By  Deputy