

THIS TRUST DEED, made this 20th day of November, 1987, between Norman Miller Anderson and Lavina A. Anderson as Grantor, Klamath County Title Trust Company, as Trustee, and Motor Investment Company 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:

See Attached Exhibit A.

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 Seven Thousand Twenty Three Dollars and 89/100 = = = = 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 January 20th, 1988.

The date of maturity of the debt secured by this instrument is the date, stated above, on which the final installment of said note sold, conveyed, assigned or alienated by the grantor without first having obtained the written consent or approval of the beneficiary, herein, shall become immediately due and payable; irrespective of the maturity dates expressed therein, or 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 preserve, conserve 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 in the repair, reconstruction and restoration of said property; if the beneficiary so requests, to comply with all laws, ordinances, regulations, covenants, conditions and restrictions affecting said property; if the beneficiary so requests, to execute such financial 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 fees, searches made by filing officers or searching agencies as may be deemed desirable by the beneficiary.
  3. To provide and continuously maintain insurance on the buildings and such other hazards as the beneficiary may from time to time require, in an amount not less than \$100,000.00. The beneficiary shall be notified in writing of the policy of insurance and the beneficiary shall be entitled to receive copies of the policy of insurance. If the grantor shall fail for any reason to procure any such insurance and 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 procure the same at grantor's expense. The amount collected under any fire or other insurance policy may be applied by the beneficiary upon any indebtedness secured hereby and in such order as beneficiary may determine. If the beneficiary is required to pay any such insurance, 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.
  4. To keep said premises free from construction liens and to pay all third party claims 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 the 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 to the beneficiary or by providing the beneficiary with funds with which to make such payment, the beneficiary may at its option make payment thereof, 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 beneficiary, hereinafter described, as well as the grantor, shall be bound to the extent that the beneficiary is bound by the payment of the obligation herein described, and all such payments shall be immediately due and payable without notice, and the nonpayment thereof, shall be a breach of the obligation, render all sums secured by this trust deed immediately due and payable and constitute a breach of this trust deed.
  5. 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.
  6. To appear in and defend any action or proceeding brought or threatened to affect the security rights or powers of beneficiary or trustee, and in any suit or 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 the 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 appraiser shall adjudge reasonable as the beneficiary's or trustee's attorney's fees on such appeal.
  7. 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 money payable as compensation for such taking, which are in excess of the amount payable 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 beneficiary 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 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, the trustee 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 thereon; (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 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 premises, or any part thereof, in its own name sue or otherwise collect 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. 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 advertisement and sale. In the latter event the beneficiary or the trustee shall to sell the said described real property to satisfy the obligation 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 86.735 to 86.795.
13. After the trustee has commenced foreclosure by advertisement and sale, and at any time prior to 5 days before the date the trustee conducts the sale, the grantor or any other person so privileged by ORS 86.753, may cure sums secured by the trust deed, the default may be cured, when due, the amount due at the time of the cure other than such portion as may not then be due had no default occurred. Any other default that is capable of being cured may be cured by tendering the performance required under the obligation or trust deed. In any case, in addition to curing the default or defaults, the person effecting the cure shall pay to the beneficiary all costs and expenses actually incurred in enforcing the obligation of the trust deed, together with trustee's and attorney's fees not exceeding the amounts provided by law.
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, as the parcel or parcels at auction, 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 implied, 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 compensation of the trustee and a reasonable charge by trustee's attorney; (2) to the obligation secured by the trust deed, (3) to all payments 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. 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, which, when recorded in the mortgage records 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 bound or notified by 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 shall 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 676.505 to 676.585.

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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 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 or household purposes (see Important Notice below);

(b) for an organization or for a natural person for business or commercial purposes.

This deed applies 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:** Deeds 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 use Stevens-Mess Form No. 1319, or equivalent. If compliance with the Act is not required, disregard this notice.

If the holder of the above is a corporation, use the term of acknowledgment required by the laws of the state of incorporation.

**STATE OF OREGON**  
County of **Klamath**  
This instrument was acknowledged before me on **11/22/90** by **Norman Miller Anderson and Lavina Ann Anderson**  
**Notary Public for Oregon**  
My commission expires **11/22/90**

**REQUEST FOR FULL RECONVEYANCE**  
To be used only when obligations have been paid.  
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** 11/22/90  
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.

<b>TRUST DEED</b> (FORM No. 881) STEVENS-MESS LAW FIRM, CO., PORTLAND, ORE.	
Grantor <b>Norman Miller Anderson and Lavina Ann Anderson</b>	
Beneficiary <b>Motor Investment Co.</b>	
AFTER RECORDING RETURN TO <b>Motor Investment Company P O Box 809 Klamath Falls, Or. 97601</b>	
STATE OF OREGON, } ss. County of <b>Klamath</b> I certify that the within instrument was received for record on the <b>11</b> day of <b>NOVEMBER</b> 19 <b>90</b> , at <b>10:00</b> o'clock <b>AM</b> , and recorded in book/roll/volume No. <b>18721</b> on page <b>1</b> of as fee/file/instrument/microfilm/reception No. <b>18721</b> Record of Mortgages of said County. Witness my hand and seal of County affixed. By <b>STED</b> Deputy	



## EXHIBIT A

## DESCRIPTION OF PROPERTY

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

## PARCEL 1:

All of Lots 19, 20, 22, and parts of Lots 21, 27, 28, 29, and 30 as follows: Beginning at the Northwest corner of said Lot 20; thence South along the West line of said Lot 20 and 21 a distance of 700 feet, more or less, to the intersection of the Westerly extension of the North line of a tract conveyed to Clyde Peck by Deed recorded in Book 363, page 563, with the West line of said Lot 21; thence East along the North line of said Peck tract a distance of 239 feet to the Northeast corner thereof; thence South along the East line of said Peck tract and the Southerly extension thereof, a distance of 627 feet to the Southeast corner of a tract conveyed to Faydrex Incorporated, by deed in M-67 page 700; thence West along the South line of said tract a distance of 41 feet to the Northeast corner of a tract conveyed by deed recorded in Book 262 page 229; thence South along the East line of said tract and the Southerly extension thereof, a distance of 502.2 feet, more or less, to its intersection with the Westerly extension of the North line of a tract conveyed to Faydrex Incorporated by deed in M-67 page 702, and the East line of a tract described by deed recorded in Book 163 at page 449; thence East along said extended Faydrex line and the North line thereof, a distance of 280 feet to the Northeast corner thereof; thence South along the East line of said Faydrex tract and South along the East line of a tract conveyed by deed recorded in Book 242 page 377, a distance of 417 feet, more or less, to its intersection with the North line of a tract conveyed by deed recorded in Book 335 at page 590; thence East along the North line of said tract a distance of 124.75 feet to the Northeast corner thereof; thence South along the East line of said tract a distance of 208.75 feet to the North line of a tract conveyed by deed recorded in Book 335 at page 57; thence East along the North line thereof a distance of 285.25 feet to the West line of a tract conveyed by deed recorded in Book 218 at page 460; thence North along the West line thereof, a distance of 77 feet to the Northwest corner thereof; thence East along the North line thereof a distance of 14.2 feet to the Southwest corner of a tract conveyed by deed recorded in Book 227 at page 113; thence North along the West line of said tract a distance of 418 feet to the Northwest corner thereof; thence East along the North line thereof, a distance of 239.3 feet to its intersection with the West line of a tract conveyed by deed recorded in Book 338 at page 476; thence North along the West line of said tract a distance of 207 feet to the Northwest corner thereof; thence East along the North line of said tract a distance of 178.7 feet to the Northeast corner thereof; thence South along the East line of said tract a distance of 625 feet to the North line of a tract conveyed by deed

recorded in Book 344 at page 385, said point being 239 feet North of the South line of said Lot 30; thence East parallel to the South line of said Lot 30 a distance of 880 feet, more or less, to the Southwest corner of a tract conveyed by deed recorded in Book 343, page 123, thence North along the West line of said tract a distance of 418 feet to the South line of a tract conveyed by deed recorded in Book 135 at page 608; thence West along the South line of said tract a distance of 22 feet to the Southwest corner thereof; thence North along the West line of said tract a distance of 470 feet to the Northwest corner thereof; thence East along the North line of said tract 470 feet to the East line of Lot 27; thence North along the East line of said Lots 27, 22, and 19, to the Northeast corner of said Lot 19; thence West along the North line of Lots 19 and 20 to the point of beginning, of Section 14, Township 36 South, Range 12 East of the Willamette Meridian.

That portion of Government Lot 4 and the N $\frac{1}{2}$  of Government Lot 5 lying Northwesterly of the road in Section 12, Township 35 South, Range 12 East of the Willamette Meridian.

NE $\frac{1}{4}$ SE $\frac{1}{4}$  or Lots 17 and 24 of Section 15, Township 36 South, Range 12 East of the Willamette Meridian.

That portion of Lots 11, 12, 13 and 14 lying Southerly of the Oregon California & Eastern Railway right of way of Section 15, Township 36 South, Range 12 East of the Willamette Meridian.

PARCEL 2:

SW $\frac{1}{4}$ NE $\frac{1}{4}$  or Lots 10 and 15 of Section 15, Township 36 South, Range 12 East of the Willamette Meridian.

SE $\frac{1}{4}$ NE $\frac{1}{4}$  or Lots 9 and 16 of Section 15, Township 36 South, Range 12 East of the Willamette Meridian.

STATE OF OREGON: COUNTY OF KLAMATH: ss.

Filed for record at request of Klamath County Title Company the 23rd day of November A.D. 19 87 at 2:16 o'clock P M., and duly recorded in Vol. M87 of Mortgages on Page 21177

FEE \$20.00

Evelyn Biehn, County Clerk

By [Signature]