

TRUST DEED

THIS TRUST DEED, made this 25th day of November, 1987, between
TOWLE PRODUCTS, INC., a California corporation
as Grantor, MOUNTAIN TITLE COMPANY of Klamath County, as Trustee, and
CALVIN DEATON and LORENE DEATON, husband & wife as
Tenants by its Entirety
as Beneficiary,

WITNESSETH:

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:

Lot 12B, Block 17, Klamath Falls
Forest Estates Sycan Unit as
recorded in Klamath County, Oregon

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 TWENTY-SEVEN HUNDRED AND NO/100 Dollars, with interest thereon according to the terms of a promissory

sum of TWENTY-SEVEN HUNDRED 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 June, 1997. The debt secured by this instrument is the date, stated above, on which the final installment of said note

The date of maturity of the debt secured by this instrument is the date it becomes due and payable.

The above described real property is not currently used for:

The above described real property, to-wit:

(a) consent to the making or doing of any restriction thereon; (c) join in any granting any easement or creating any restriction affecting this deed or the lien or charge hereunder; (d) reconvey without warranty, all or any part of the property. The subdivision or other agreement affecting this deed or the lien or charge hereunder; (e) reconvert, without warranty, may be described as the "person or persons grantee in any reconveyance," and the recitals therein of any matters or facts shall legally entitled thereto, and the recitals thereof. Trustee's letters for any of the

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;
and permit no waste of said property.
2. To transmit 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, rules, regulations, covenants, conditions and restrictions affecting said property; to the Uniform Commercial Code as the beneficiary may require and to pay for filing same in the public office or offices, as well as the cost of all lien searches made proper public office or offices, as may be deemed desirable by the beneficiary.

[illegible][illegible]

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

[illegible]

same extent (that is, such payments shall be immediately due and payable to the beneficiary described, and the nonpayment thereof shall, without the option of the beneficiary, constitute a breach of this trust deed) and the option of the beneficiary, out notice and the nonpayment thereof shall, without the option of the beneficiary, constitute a breach of this trust deed immediately due and payable and remain all sums secured by this trust deed immediately due and payable and constitute a breach of this trust deed and the expenses of the trustee including the cost of title search as well as the other costs and expenses of the trustee incurred by the trustee in enforcing this obligation and trustee's attorney's fees and costs shall be paid by the purchaser of the property sold hereunder.

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 appears, including all costs and expenses, including the cost of the purchase at the sale, the grantor and beneficiary, may consent to the powers provided herein, trust

15. When trustee sells pursuant to the powers provided herein, the sale shall apply the proceeds of sale to payment of (1) the expenses of sale, (2) the obligation secured by the trust, (3) to all other claims against the trust, including the compensation of the trustee and the trustee's attorney, (4) the obligation secured by the trust, (5) the trustee in the event of a sale of the property, (6) the order of their priority and (7) the balance of the proceeds to the grantor or his successor in interest entitled to the same. The trustee shall record the deed of sale and the order of their priority and the balance of the proceeds to the grantor or his successor in interest entitled to the same.

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 amount required for such taking, which are in excess of the amount required or necessarily paid or

right, if it so elects, such taking, which are in excess of fees necessarily paid or as compensation for services rendered, shall be paid to beneficiary and the balance of the proceeds of the sale shall be paid by beneficiary to the trustee, the latter shall be deemed or appointed hereunder. Each such payment upon any trustee shall be made by written instrument duly acknowledged and substantiated shall be made by written instrument to the county or county and shall be recorded in the mortgage records of the county or county in which the property is situated, shall be conclusive proof of proper appointment.

[illegible]

9. At any time and from time to time upon written request of the grantor, the trustee shall be obligated to notify the grantor of any action or proceeding in which grantor, or trust or of which action or proceeding is brought by trustee. The 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, or a 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 in the State of Oregon, or an escrow agent licensed under ORS 696.505 to do business in the State of Oregon. The trustee shall not be an agent, employee, or 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 do business in the State of Oregon.

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 (even if grantor is a natural person) are for business or commercial 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 use Stevens-Ness Form No. 1319, or equivalent. If compliance with the Act is not required, disregard this notice.

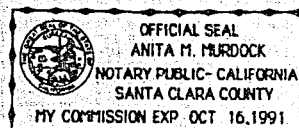
STATE OF CALIFORNIA)
COUNTY OF SANTA CLARA) ss.

TOWLE PRODUCTS, INC., a California corporation,
Howard Philip Marks, President
Kathleen Emery Marks, Secretary

On November 25, 1987, before me, the undersigned, a Notary Public in and for said State, personally appeared HOWARD PHILIP MARKS, personally known to me or proved to me on the basis of satisfactory evidence to be the person who executed the within instrument as the President, and KATHLEEN EMERY MARKS, personally known to me or proved to me on the basis of satisfactory evidence to be the person who executed the within instrument as the Secretary of the Corporation that executed the within instrument and acknowledged to me that such corporation executed the within instrument pursuant to its by-laws or a resolution of its board of directors.

WITNESS my hand and official seal.

Anita M. Murdock
Notary Public



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. 881-1)

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

Towle Products, Inc.
Grantor

Calvin & Lorene Deaton
Beneficiary

AFTER RECORDING RETURN TO
Calvin and Lorene Deaton
8315 Elburg Street
Paramount, CA 90723

SPACE RESERVED
FOR
RECORDER'S USE

Fee: \$10.00

STATE OF OREGON,
County of Klamath } ss.

I certify that the within instrument was received for record on the 19th day of January, 1988, at 1:12 o'clock P.M., and recorded in book/reel/volume No. M88 on page 952 or as fee/file/instrument/microfilm/reception No. 83632, Record of Mortgages of said County. Witness my hand and seal of County affixed.

Evelyn Biehn, County Clerk

By Pam Smith Deputy