| STEVENS NESS LA                         | W PUB. CO., PORTLAND, OR 9720 |
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| March                                   | , 1988 ; becireen             |
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JOHN A. SHORT, III as Grantor, KLAMATH COUNTY TITLE COMPANY

, as Trustee, and JOHN A. SHORT AND THELMA E. SHORT, husband and wife

as Beneficiary,

WITNESSETH:

Grantor irrevocably grants, bargains, sells and conveys to trustee in trust, with power of sale, the property Klamath County, Oregon, described as:

Lots 11 and 12 in Block 1, Industrial Addition to the City of Klamath THE HE SECRETARIES Falls, Oregon, according to the official plat thereof on file in the office of the County Clerk of 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 connecFOR THE PURPOSE OF SECURING PERFORMANCE of each agreement of granter berein contained and counter to the second of the seco

tion with said real estate.

FOR THE PURPOSE OF SECURING PERFORMANCE of each agreement of grantor herein contained and payment of the sum of TWENTY FIVE THOUSAND THIRTEEN AND 45/100-----

note of even date herewith, payable to beneficiary or order and made by grantor, the final payment of principal and interest hereof, if

The date of maturity of the debt secured by this instrument is the date, stated above, on which the final installment of said note
soid, conveyed, assigned or alienated by the grantor without first having obtained the written consent or approval of the beneficiary's option, all obligations secured by this instrument, irrespective of the maturity dates expressed therein, or

To protect the require the security of the said note of the maturity dates expressed therein, or

To protect the security of this trust deed, grantor agrees:

To protect, preserve and maintain said property in good condition
of repair; not to remove or demolish any building or improvement thereon;
2. To complete or yeaste of said property.
2. To complete or restore promptly and in good and workmanlike interest publishing or restore promptly and in good and workmanlike introped thereon, and pay when due all costs incurred therefor.

3. To comply will laws, ordinances, regulations, covenants, conditions and restrictions affecting said property; if the beneficiary so requests, to in creating such linearing statements pursuant to the Uniform Commentation of the conditions of the conditio

coal Code as the bearlicities 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 string officers or surching affecties as may be deemed desirable by the beauticia. To provide and continuously maintain insurance on the buildings new or hersalties exected on the said premises against loss or damage by the and such other has defend on the said premises against loss or damage by the and such other has defend on the said from the four sing of time require, in companiers acceptable to the beneficiary, with loss payable to the later; all posities of insurance that be delivered to the beneficiary as soon as insured; if the grantor shall lail for any income and produces and positions of insurance may be delivered and produces and position of any policy of insurance may be produced any such insurance and to deliver said policies to the beneficiary on the produces and policies to deliver said policies to the development of the produces of any policy of insurance may be related placed on said buildings, the beneficiary any judicies to cure the same hereafter placed on said buildings, the beneficiary and produced under any fire or other insurance grantor's expense. The amount confected under any fire or other insurance grantor's expense. The amount confected under any fire or other insurance grantor's expense. The amount confected under any fire or other insurance grantor's expense. The amount confected under any fire or other insurance grantor's expense. The amount confected under any fire or other insurance grantor's expense. The amount confected under any fire or other location and the applied by beneficiary may determine, or at option of beneficiary may be applied by beneficiary may determine, or at option of beneficiary in the late of the part thereof any determine, or at option of part thereof or invalidate any season pursuant to such or the security in the season of the fire of the part that of the fire of the part that of the part that of t

It is trustually agreed that:

8. In the event that any portion or all of said property shall be taken under the right of enumer domain or condemnation, beneficiary shall have the right, if it so elects, to sequire that all or any portion of the monies payable as compensation for shall, which are in excess of the amount required to pay all reasonable costs, repenses and attorney's less necessarily paid or incurred by grantor such proceedings, shall be paid to beneficiary and applied by it trust upon such proceedings on the payable of the payable of the proceedings of the payable of the making of any map or plat of said property; (b) join in the possess 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 allecting this deed or the lien or charge thereot; (d) reconvey, without warranty, all or any part of the property. The farmance in any reconveyance may be described as the "person or persons be conclusive protocol of the truthfulness thereof. Trustee's less 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 pointed by a court, and without regard to the adequacy of any receiver to be appointed by a court, and without regard to the adequacy of any receiver to be appointed by a court, and without regard to the adequacy of appropriate and profits in the own name sue or otherwise collect all property or any part factor in its own name sue or otherwise collect all properties and profits in the own name sue or otherwise collect 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 lire and other insurance policies or compensation or awards for any taking or damage of the property, and the application or release thereof as aloresaid, shall not cure or pursuant to such notice. I default hereunder or invalidate any act done hereby or in his performance of any agreement hereunder, time being of the essence with respect to such payment and/or performance, 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 mustee to foreclose this trust deed in equity as a mortgage or direct the sustee to foreclose this trust deed his written notice of default and his election read and payment to such and payment of orecose this trust d

36.795.

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, 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 the delault or delaults. It the default consists of a failure to pay, when due, sums secured by the trust deed, the default may be cured by paying the entire amount due at the time of the cure other than such portion as well not then be due had no default occurred. Any other default 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 obligation or trust deed. In any case, in addition to curing the default and expenses actually incurred in enforcing the obligation of the trust deed together with trustee's and attorney's lees not exceeding the amounts provided by law.

together with trustee's and attorney's lees 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 authority of the 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 the property we sold, but without any covenant or warranty, express or instant of the trustels in the deed of any matters of lact shall be conclusive proof the grantor and beneficiary, may purchase at the sale.

15. When trustee sells pursuant to the powers provided herein, trustee hall apply the proceeds of sale to payment of (1) the expenses of sale, instatorney, (2) the obligation secured by the trust deed, (3) to all present having recorded lies subrequent to the interest of the truster interest and the truster and a reasonable change by trustee's having recorded lies subrequent to the interest of the truster in the trust deed (3) to all present having recorded lies subrequent to the interest of the truster in the trust auriplus, it ams, to the grants or this successor in interest entitled to such surplus.

surplus, if any, to the grants or to his successor in interest entitled to such surplus.

16. Beneticiary may from time to time appoint a successor or successors to any trustee named herein or to any successor trustee appointed herein 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 printed hereunder. Each such appointment and substitution shall be made by within instrument executed by beneficiary, which, when recorded in the mortgage records of the county or counties which the property is situated, shall be conclusive proof of proper appointment of the successor trustee.

17. Trustee accepts this trust when this dred, 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.

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 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 y of this state, its subsidiaries, affiliates, agents or branches, the United States or any agency thereof, or an escribe under ORS 696.505 to 696.585.

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, tamily or household purposes (see Important Notice below),

(b) for an organization, or (even it grantor is a natural person) are for business or commercial purposes. This deed applies to, issures 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, 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. John A. e IMFORTANT NOTICE: Delete, by lining out, whichever warrenty (a) or (b) is not applicable; if warranty (a) is applicable and the beneficiary is a creditor not applicable; if warranty (a) is applicable and the beneficiary is a creditor to the south word is defined in the Insthi-Lending Att and Regulation Ty making require beneficiary MUST camply with the Act and Regulation by making required hereficiary for this purpose use Sievens-Ness Form No. 1319, or equivalent, if campliance with the Act is not required, disregard this notice. SHORT lif the signer of the above is a corporation, STATE OF OREGON. STATE OF OREGON. County of This instrument was acknowledged before me on .by JOHN (SEAL) Notary Public for Oregon Notary P blic for Oregon My commission expires: (SEAL) My commission espires: 6-21-88 REQUEST FOR FULL RECONVEYANCE To be used only when obligations have h 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 trust deed mave near sump past and samuled. For except are directed, on payment to you of any sums owing to you under the terms of said trust deed (which are delivered to you said trust deed (which are delivered to you said trust deed or pursuant to statute, to cancer an evidences or indeptedness societa 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 .... of the contract of the contrac DATED: Beneticiary and OR THE NOTE which it secures. Both must be delivered to the trustee for concellation before reconveyance will be ma STATE OF OREGON, County of Klamath - 55. I certify that the within instrument TRUST DEED was received for record on the .. 28th day (FORM No. 181) AM PUB CO., PORT at 1:47 o'clock R.M., and recorded in book/reel/volume No. ......M88...... on page ...4315..... or as fee/file/instru-SPACE RESERVED ment/microfilm/reception No.85683...., Grantor FOR Record of Mortgages of said County. RECORDER'S USE Witness my hand and seal of Laboration of the section of the sec County affixed. Evelyn Biehn, County Clerk Reneticiary AFTER RECORDING RETURN TO By Man Smith Deputy  $\times$ 8 Fee: \$10.00