

(OF RECORD TO DEPARTMENT)

LGTU 00

TRUST DEED

Vol. 1788 Page 7687

87351 MT-19758P
NOTARIAL THIS TRUST DEED, made this

16th day of

May

1988, between

MARK P. CUDO & KENDALL A. CUDO, husband and wife
as Grantor, MOUNTAIN TITLE COMPANY OF KLAMATH COUNTYFOREST PRODUCTS FEDERAL CREDIT UNION
as Beneficiary, CREDIT UNION

WITNESSETH:

Grantor irrevocably grants, bargains, sells and conveys to trustee in trust, with power of sale, the property
in Klamath County, Oregon, described as:The South 60 feet of Lot 4, Block 3, ALTAMONT ACRES, according to the official plat
thereof on file in the office of the County Clerk of Klamath County, Oregon.

Account No. 3909-3DC-6000

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 connec-
tion with said real estate.FOR THE PURPOSE OF SECURING PERFORMANCE of each agreement of grantor herein contained and payment of the
sum of THIRTY EIGHT 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, ifnot sooner paid, to be due and payable per terms of note on the date, stated above, on which the final installment of said note
becomes due and payable. In the event the within 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 obtained 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
herein, shall become immediately due and payable.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 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, regulations, covenants, condi-
tions and restrictions affecting said property; if the beneficiary so requests, to
join in executing such financing statements pursuant to the Uniform Commis-
sioner 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 lien searches made
by filing officers or searching agencies as may be deemed desirable 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, full value, written in
an amount acceptable to the beneficiary, with loss payable to the latter; all
policies of insurance shall be delivered to the beneficiary as soon as insured;
if the grantor shall fail for any reason to procure any such insurance and to
deliver said policies to the beneficiary on or hereafter placed on said buildings,
the beneficiary may procure the same at grantor's expense. The amount
collected under any policy of insurance may be applied by beneficiary as
clary 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 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 construction 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, assess-
ments, insurance premiums, liens or other charges payable by grantor, which
by direct payment, beneficiary may, at its option, make payment thereof,
make such payment, with interest at the rate set forth in the note secured,
and the amount so paid, with interest at the rate set forth in the note secured,
together with the obligations described in paragraphs 6 and 7 of this
trust deed, shall be added to any rights arising from breach of any of the
covenants hereof and for such payments, with interest as aforesaid, the prop-
erty hereunder shall be bound to the grantor, shall be bound to the prop-
erty hereunder, and all such payments shall be due and payable with-
out 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 this trust, including the cost
of title search as well as the other costs and expenses of trustee and attorney's
fees actually incurred.7. To appear in and defend any action or proceeding purporting to
affect the security rights in which the beneficiary or trustee may appear, including
any suit for the foreclosure of this deed, to pay all costs and expenses, in-
cluding evidence of title and the beneficiary's or trustee's attorney's fees; the
amount of attorney's fees mentioned in the event of an appeal from any judgment or
decree of the trial court and in the event of an appeal from any judgment or
decree of the trial court shall adjust reasonable as the beneficiary's or trustee's attor-
ney'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, if it so elects, 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
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 the ben-
eficiary in such proceedings, and the balance applied upon or incurred by the ben-
eficiary hereby; and grantor agrees, at its own expense, to take such actions
and execute such instruments as shall be necessary in obtaining such com-
pensation, promptly upon beneficiary's request.9. At any time and from time to time upon written request of bene-
ficiary, 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 inNOTE: 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, the United States or any agency thereof; or an escrow agent licensed under ORS 696.505 to 696.555.

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).

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.

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

STATE OF OREGON, County of Klamath

This instrument was acknowledged before me on 5-16-1988 by

Mark P. Cudo & Kendall A. Cudo

Notary Public for Oregon

My commission expires: 8-16-88

Mark P. Cudo

Kendall A. Cudo

STATE OF OREGON, County of Klamath

This instrument was acknowledged before me on 5-16-1988 by

as of

Notary Public for Oregon

My commission expires:

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 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: May 16, 1988

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

TRUSTEED BY (FORM No. 1361) THE OFFICE OF THE CLERK OF THE COUNTY OF Klamath, Oregon

MARK P. & KENDALL A. CUDO
2803 Altamont
Klamath Falls, OR 97601

FOREST PRODUCTS FEDERAL CREDIT UNION
P.O. Box 1179
Klamath Falls, OR 97603

AFTER RECORDING RETURN TO

MOUNTAIN TITLE COMPANY
(for return to beneficiary)

STATE OF OREGON, County of Klamath

I certify that the within instrument was received for record on the 17th day of May, 1988, at 9:21 o'clock A.M., and recorded in book/reel/volume No. M88 on page 1687 or as fee/file/instrument/microfilm/reception No. 87351, Record of Mortgages of said County.

Witness my hand and seal of County affixed.

Evelyn Biehn, County Clerk

By Pamela A. Kibler Deputy

Fee 10.00