

TRUST DEED

as Grantor, MOUNTAIN TITLE COMPANY, an Oregon corporation, as Trustee, and DONALD LEFLER and PHYLLIS LEFLER, husband and wife

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 1, Block 3, of TWIN RIVER VIEW, according to the Official plat thereof on file in the County of Klamath, State of Oregon.

"THIS INSTRUMENT WILL NOT ALLOW USE OF THE PROPERTY DESCRIBED IN THIS INSTRUMENT IN VIOLATION OF APPLICABLE LAND USE LAW AND REGULATIONS. BEFORE SIGNING OR ACCEPTING THIS INSTRUMENT, THE PERSON ACQUIRING FEE TITLE TO THE PROPERTY SHOULD CHECK WITH THE APPROPRIATE CITY OR COUNTY PLANNING DEPARTMENT TO VERIFY APPROVED USES."

APPROVED USES." 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.

now or hereafter appertaining, and the rents, issues and profits thereof, and the proceeds of sale of said real estate.

PURPOSE OF SECURING PERFORMANCE of each agreement of grantor herein contained and payment of the

sum of ELEVEN THOUSAND AND NO/100- with interest thereon according to the terms of a promissory

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\$11,000.00----- Dollars, with interest thereon according to the terms of a promissory note, the final payment of principal and interest hereof, if

note of even date herewith, payable to beneficiary or order and made by grantor, the final payment of principal and interest on said note shall be due and payable 10 years after recordation of this Deed of Trust not sooner paid, to be due and payable on the date, stated above, on which the final installment of said note and 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, stated above, on which the final installment of said note becomes due and payable.

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 protect, preserve, and maintain said property in good condition and repair; not to remove or demolish any building or improvement thereon; and 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, conditions and restrictions affecting said property; if the beneficiary so requests, to join in executing such financing 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 lien searches made by filing officers or searching agencies, as may be deemed desirable by the beneficiary, and to provide and continuously maintain insurance on the building.

[illegible]

act cure or waive any such notice.

To, pay, 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 the said taxes, assessments and other charges become past due, or delinquent, or such taxes, assessments and other charges shall be levied or assessed, 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, either by direct payment or by providing beneficiary with funds with which to make such payment, beneficiary may, at its option, make such payment thereof, and the amount so paid, with interest at the rate set forth in the note secured hereby, together with the obligations hereinbefore recited 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 prejudice to any rights arising from breach of any of the covenants hereunder for such payments, with interest as aforesaid, the parties hereto hereby acknowledge and agree, and the grantor, shall be bound to the covenants hereinbefore described; as well as the grantor, shall be bound to the extent that they are bound for the payment of such taxes, and payable with interest, and all such payments shall be made, immediately due and payable with interest, 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.

To, pay, all costs, fees and expenses of this trust including the cost of the trustee incurred

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 trustee incurred in connection with or in enforcing this obligation and trustee's and attorney's fees actually incurred.

fees actually incurred. To the extent that the grantor desires to 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 the foreclosure of the mortgage, the grantor shall be bound to pay all costs and expenses, including attorney's fees, incurred by the beneficiary or trustee's attorney in the defense of any such action or proceeding. The grantor shall be bound to pay the amount of attorney's fees mentioned in this paragraph on appeal from any judgment or decree of the trial court and the grantor further agrees to pay such sum as the Appellate court shall adjudge reasonable as the beneficiary's or trustee's attorney'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 for condemnation, beneficiary shall have the right, if it is determined that all or any portion of the monies payable to beneficiary as a result of such taking are in excess of the amount necessary to pay all reasonable costs, expenses and attorney's fees necessarily paid or incurred by grantor in defending any reasonable costs and expenses and attorney's fees applicable to such proceedings, and the balance thereof shall be paid to beneficiary in the trial and appellate courts, necessarily incurred by beneficiary in such proceedings, and the balance thereof shall be paid to the indebtedness secured hereby; and grantor agrees at its own expense, to take such action as may be necessary to 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 and the note for endorsement (in case of full reconveyances, for cancellation), without affecting the liability of any person for the payment of the indebtedness, trustee may

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, the United States or any agency thereof, or an escrow agent licensed under ORS 696.505 to 696.585.

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