

BOOK OF 33108

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BOX 2118

TRUST DEED

Vol. m88 Page 10431

1988

as Trustee, and

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 2 in Block 3 of Dorreen Meadows, according to the official plat thereof on file in

the office of the County Clerk of Klamath County, Oregon. Tax Account 2309-13D-300.

L0021 DEED

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 THIRTY THOUSAND AND NO/100--- (\$30,000.00)--- 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 10, 2003.

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. 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;

nor 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 Commer-

cial 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 the 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 \$--- full insurable value, written in

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 at least fifteen days prior to the ex-

piration 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 benefi-

ciary upon any indebtedness secured hereby and in such order as beneficiary

may determine, or at option of beneficiary the entire amount so collected, or

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, either

by direct payment or by providing beneficiary with funds with which to

make such payment, beneficiary may, at its option, make payment thereof

and the amount so paid, with interest at the rate set forth in the note secured

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 hereunder, and for such payments, with interest as aforesaid, the pro-

prietor hereby agrees, as well as the grantor, shall be bound to the

extent that they are bound to the payment of the obligation herein

described, and all such payments shall be immediately due and payable with

out notice, and the nonpayment thereof shall be a breach of the trust deed

render all sums secured by this trust deed immediately due and payable and

constitute a breach of this trust deed. See ** ON REVERSE

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.

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 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 this 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 ap-

pellate court shall adjudge 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 it first upon such proceedings, shall be paid to beneficiary and

both in the trial and appellate courts, and necessary paid or incurred by benefi-

ciary in such proceedings, and the beneficiary 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 benefi-

ciary, payment of its fees and expenses of this deed and the note for bene-

ficiary (in case of full reconveyance of this deed and the note for benefi-

ciary) 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

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

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.

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.

**Buyers agree to pay the sum of 1/12th of the annual taxes into a reserve account. This amount will be in addition to the regular payments required in the note.

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x In
INITIAL

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.

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

STATE OF OREGON
County of Deschutes

This instrument was acknowledged before me on June 20, 1988, by

Darrell Anthony McDaniel and Teresa Quintana Headley - ONLY

Notary Public for Oregon

My commission expires June 11, 1991

STATE OF OREGON, CALIFORNIA
County of Sacramento

BE IT REMEMBERED, That on this 13th day of June, 1988, before me, the undersigned, a Notary Public in and for said County and State, personally appeared the within named DARRELL ANTHONY MCDANIEL ONLY---

known to me to be the identical individual described in and who executed the within instrument and acknowledged to me that he executed the same freely and voluntarily.

IN TESTIMONY WHEREOF, I have hereunto set my hand and affixed my official seal the day and year last above written.

OFFICIAL SEAL
CAROL BUNYAN
NOTARY PUBLIC - CALIFORNIA
SACRAMENTO COUNTY
My Comm. Expires March 7, 1989

BY: [Signature]

BY: [Signature]

[Signature]

STATE OF OREGON,
County of [blank] ss.

This instrument was acknowledged before me on 19 [blank], by [blank] as [blank] of [blank]

Notary Public for Oregon

My commission expires: [blank]

(SEAL)

FORM NO. 23 - ACKNOWLEDGMENT
STEVENS-NESS LAW PUB. CO., PORTLAND, ORE.

Notary Public for California
My Commission expires 3-7-89

TRUST DEED

(FORM No. 881)

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

GRANTOR
DANIEL & EDWARDS
2690 Nielsen Road
Tillamook, OR 97141

BENEFICIARY
DANIEL & EDWARDS
2690 Nielsen Road
Tillamook, OR 97141

AFTER RECORDING - RETURN TO
Key Escrow Company
P. O. Box 6178
Bend, OR 97708
ATTN: LINDA ROSS, CEO

OF KREWSCH COOPER, PRODUCED
RECORDING TO BE IN
COUNTY OF [blank]

SPACE RESERVED
FOR
RECORDER'S USE

Fee \$13.00

STATE OF OREGON,
County of Klamath ss.

I certify that the within instrument was received for record on the 5th day of July, 1988, at 10:56 o'clock A.M., and recorded in book/reel/volume No. M88 on page 10431 or as fee/file/instrument/microfilm/reception No. 88877, Record of Mortgages of said County.

Witness my hand and seal of County affixed.

Evelyn Biehn, County Clerk

By [Signature] Deputy