

THIS TRUST DEED, made this 14th day of AUGUST, 1988, between ROSE A. MARTIN, S. FRED M. MARTIN - TENANT IN COMMON, as Grantor, and ASPIRE TITLE & ESCROW, INC., an OREGON CORPORATION, as Trustee, and FN REALTY SERVICES, INC., a CALIFORNIA CORPORATION, TRUSTEE as Beneficiary.

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

Lot 16 in Block 38 of Tract 1184-Oregon Shores, Unit 2, 1st Addition as shown on the map filed on November 8, 1978 in Volume 21, Page 29 of Maps in the office of the County Recorder of said County.

Grantor, in consideration of the sum of \$12,000.00, plus interest thereon at the rate of 12% per annum, payable monthly, and for other good and sufficient consideration, do hereby grant, sell and convey to trustee in trust, with power of sale, the property in Klamath County, Oregon, described as follows:

Lot 16 in Block 38 of Tract 1184-Oregon Shores, Unit 2, 1st Addition as shown on the map filed on November 8, 1978 in Volume 21, Page 29 of Maps in the office of the County Recorder of said County.

together with all and singular the tenements, hereditaments and appurtenances and all other rights thereto 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 **TWELVE THOUSAND DOLLARS**, with interest thereon according to the terms of a promissory note of even date herewith, payable

beneficiary, or order and made by grantor, the final payment of principal and interest herein, if not sooner paid, to be due and payable **AUGUST 15, 1993**. 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 of non-payment of the principal and interest herein, if paid, or any interest therein is paid, agreed to be sold, converted, 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 date expressed herein, or herein, shall become immediately 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, demolish any building or improvement thereon, not to commit or permit any waste of said property.

2. To complete or repair, 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 requires. To join in executing any 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 such searches made by filing officers or searching agencies as may be deemed necessary 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, written in companies acceptable to the beneficiary as insurer, and with loss payable to the latter; all policies of insurance shall be delivered to the beneficiary as soon as issued by the grantor shall fail; for any cause, to procure any such insurance and to deliver said policies to the beneficiary at least fifteen days prior to the expiration of any policy of insurance now or hereafter 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 beneficiary 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. Such application or release shall not cure or waive notice of default hereunder.

5. To keep said premises free from construction debris and to pay all taxes, assessments and other charges that may be levied or accrued upon or against said property before any part of such taxes, assessments and other charges become past due or delinquent and promptly deliver receipts thereon to beneficiary; should the grantor fail to make payment of any taxes, assessments, insurance premiums, liens or other charges levied by grantor, either by direct payment or by providing beneficiary with funds sufficient, 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 set forth 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 waiving any rights arising from breach of any of the covenants hereof and for such payments, with interest as aforesaid, the property hereinbefore described, as well as the grantor, shall be bound to the same extent that they are bound for the payment of the obligation herein described, and all such payments shall be immediately due and payable without 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 the trustee incurred in connection with this obligation.

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 enforcement of this deed, to pay all costs and expenses, including evidence of title and the beneficiary's or trustee's attorney's fees provided, however, in case the suit is between the grantor and the beneficiary, or the trustee, or the prevailing party shall be entitled to the attorney's fees herein described; the amount of attorney's fees mentioned in this paragraph, in all cases, shall be fixed by the trial court or by the appellate court if an appeal is taken.

It is mutually agreed that:

8. In the event that any portion of 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, proceedings, and attorney's fees necessarily paid or incurred by grantor in such costs and expenses, and attorney's fees, both in the trial and appellate courts, necessarily paid or incurred by beneficiary, in such proceedings, and the balance applied upon the indebtedness secured hereby; and grantor agrees, at its own expense, to take such actions and 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, to pay its fees and presentation of this deed and to execute or 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 in granting any easement or creating any

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.

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 life insurance company authorized to insure title to real property of this state, its subsidiaries, affiliates, agents or branches, or the United States or any agency thereof.

and that he will warrant and forever defend the same against all persons whomsoever.

8.1.88

21662

The grantor warrants that the proceeds of the loan represented by the above described note and this trust deed are held (a) primarily for grantor's personal, family, household or agricultural purposes (see, Important Notice below), or (b) for business or commercial purposes other than agricultural 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 pledge, 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.

You have the option to cancel your contract or agreement of sale by notice to the seller until midnight of the seventh day following the signing of the contract or agreement.

If you did not receive a Property Report prepared pursuant to the rules and regulations of the Office of Interstate Land Sales Registration, U.S. Department of Housing and Urban Development, in advance of your signing the contract or agreement, this contract or agreement may be revoked at your option for two years from the date of signing.

* 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 or 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. If compliance with the Act not required, disregard this notice.

TERRITORY OF GUAM
CITY OF AGANA)
) SS

Rose A. Martin
X-fred Martin
D.R. MAYERON
(WITNESSED BY)

On AUG. 14, 1988 before me,
the undersigned, a Notary Public in and
for the Territory of Guam, personally
appeared DANIEL R. MAYERON
known to me to be the person whose name
is subscribed to the within instrument
as a witness thereto, who being by me
duly sworn, deposed and said: That HE
resides at SANTA LITA, AGA
GUAM ; that HE was pre-
sent and saw ERNEST A. MARTIN AND
ROSE A. MARTIN personally known to
HIM to be the person described in, and
whose name is subscribed to the within
and annexed instrument, execute the same,
and that affiant subscribed HIS name
thereto as a witness to said execution.

FOR NOTARY SEAL OR STAMP

ROMAN C. PEL
NOTARY PUBLIC

In and for the Territory of Guam U.S.A.
My Commission Expires: July 31, 1993

Signature:

TO:

The undersigned, as Trustee, is directed to acknowledge, accept, and receive the instrument described below.

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:

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TRUST DEED

Grantor, of the first part, and Beneficiary, of the second part, being of sound mind, and having knowledge of the contents of this instrument, do hereby bind themselves to the following covenants and agreements, to be observed and performed by them respectively, according to the true intent and meaning of this instrument:

AFTER RECORDING RETURN TO:

1111 1/2 A.T.C. 1st flr. Apt. 1001, Suite 1001

RECORDED IN THE OFFICE OF THE CLERK OF THE COUNTY OF KLAZATH, OREGON, ON THE 21st DAY OF DECEMBER, 1988, AT 11:56 A.M., AND RECORDED IN BOOK M88, PAGE 21661, OR AS FILE/FILE NUMBER 95143.

STATE OF OREGON

ss.

County of Klamath

I certify that the within instrument was received for record on the

21st day of Dec., 1988
at 11:56 o'clock A.M. and recorded
in book M88 on page 21661

or as file/file number 95143.

Record of Mortgages of said County.

Witness, my hand and seal of

County affixed.

Evelyn Biehn

County Clerk

Title

By Debra Mullenahore Deputy