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Aspen 32947

TRUST DEED

Vol 588 Page 21661

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THIS TRUST DEED, made this

14th

day of AUGUST

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between

ROSE A. MARTIN & FRED M. MARTIN - TENANCY in common
 ASPEN TITLE & ESCROW, INC. in 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

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 therein belonging or in anywise now or hereafter accruing, 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 to the beneficiary or order and made by grantor, the final payment of principal and interest hereof, if not sooner paid, to be due and payable

on 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, assigned, 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 date expressed therein, 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 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.

3. To comply with all laws, ordinances, regulations, covenants, conditions, and restrictions affecting said property; if the beneficiary is in default in complying with any such law, ordinance, regulation, covenant, condition, and restriction, the beneficiary shall be liable for the cost of compliance with such law, ordinance, regulation, covenant, condition, and restriction, and any 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 at the beneficiary's expense.

4. To provide and continuously maintain insurance on the buildings now or hereafter erected on the premises against loss or damage by fire and theft and against hazards as the beneficiary may from time to time require in an amount not less than the full replacement value of the buildings and contents thereof, and the beneficiary shall be liable for the cost of such insurance.

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 for any part of such taxes, assessments and other charges become past due or delinquent and promptly deliver receipts therefor to the beneficiary. If the grantor fails to make payment of any such taxes, assessments, or other charges payable by grantor, either by direct payment or by providing for the same in the note secured hereby, together with the obligations described in paragraphs 6 and 7 of this trust deed, without waiver of any rights arising from breach of the covenants hereof and for such payments, with interest as aforesaid, the property shall be sold for the payment of the obligations hereon 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 as 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, 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 trustee, then the prevailing party shall be entitled to the attorney's fees herein described, the amount of attorney's fees mentioned in this paragraph 7 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:

1. 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 is such taking, to require that all or any portion of the money payable as compensation for expenses and attorney's fees necessary paid or incurred by grantor in such proceedings, shall be paid to beneficiary and applied by it first upon any reasonable amount paid or incurred by beneficiary in the trial and appellate courts, and the balance applied upon the indebtedness secured hereby; and grantor agrees, at its own expense, to take such action and execute such instruments as shall be necessary in obtaining such compensation primarily upon beneficiary's request.

2. At any time and from time to time upon written request of beneficiary, payment of its fees and presentation of evidence of the note for endorsement (in 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

restriction thereon, (c) join in any subordination or other agreement affecting this deed or the first in charge thereof; (d) reconvey, without warranty, all or any part of the property legally entitled thereto; and the recitals that "in any matters or facts shall be conclusive proof of the truthfulness thereof." Trustee's fees for any of the services mentioned in this paragraph shall be not less than \$5.

3. Upon any default by grantor hereunder, beneficiary may at any time with or without regard to the advantages of any security for the indebtedness hereby secured, enter upon and take possession of any property or any part thereof, in its own name, or otherwise collect the rents, issues and profits, including those past due and unpaid, and apply the same, less costs and expense of operation and collection, to the payment of the principal and interest on the indebtedness secured hereby, in such order as beneficiary may determine.

4. The entering upon and taking possession of said property, the collection of such rents, issues and profits, or the proceeds of fire and other insurance policy or compensation or awards for any taking or damage of the property, and the application or release thereof as aforesaid, shall not cure or waive any default or notice of default hereunder, or invalidate any act done pursuant to any default or in his performance of any agreement hereunder, the beneficiary may declare all sums secured hereby, immediately due, and payable, in such an event and if the above described real property is currently used for agricultural, timber or grazing purposes, the beneficiary may proceed to foreclose this trust deed in accordance with the manner provided by law for mortgage foreclosures. If not so currently used, the beneficiary at his election may proceed to foreclose this trust deed in equity as a mortgage or direct the trustee to foreclose this trust deed by advertisement and sale. In the latter event the beneficiary or the trustee shall execute and cause to be recorded his written notice of default and his election to sell the said property to satisfy the obligations secured hereby, whereupon the trustee shall, at the time and place of sale, give notice thereof as then required by law, and proceed to foreclose this trust deed in the manner provided in ORS 86.740.

5. Should the beneficiary elect to foreclose by advertisement and sale then after default at any time prior to five days before the date set by the trustee for the sale of the property or his successor in interest, respectively, the entire amount then due, and expenses actually incurred in enforcing the terms of the obligation and trustee's fees not then due had no default in cured, and thereby cure the default, in full.

6. Otherwise, the sale shall be held on the date and at the time and place designated in the notice of sale. The trustee may sell said property either in one parcel or in separate parcels and shall sell parcels or parcels at auction to the highest bidder for cash, payable at the time of sale. Trustee shall deliver to the purchaser its deed in full as required by law governing the property to be sold, but without any covenant or warranty, express or implied. The recitals in the deed of any such sale shall be conclusive proof of the truthfulness thereof for any person, including the trustee, but including the grantor and beneficiary, may purchase of the trustee.

7. When trustee sells pursuant to the powers provided herein, trustee shall apply the proceeds of sale to payment of (1) the expenses of sale, including the compensation of the trustee and a reasonable charge by trustee of attorney's fees, (2) to the satisfaction of the interest of the trustee in the trust deed as their interests may appear in the order of their priority and (3) the surplus, if any, to the grantor or to his successor in interest permitted by law beneficiary may from time to time appoint a 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 reference to this trust deed and its place of record, which, when recorded in the office of the County Clerk or Recorder of the county or counties in which the property is situated, shall be conclusive proof of proper appointment of the successor trustee.

8. Trustee accepts this trust when this deed, duly executed and acknowledged by party hereto or provided by law, Trustee is not obligated to notify any proceeding in which grantor, beneficiary or trustee shall be a party unless such action or proceeding is brought by trustee.

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 title 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.

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

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The grantor warrants that the proceeds of the loan represented by the above described note and this trust deed are primarily for grantor's personal, family, household or agricultural 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 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.

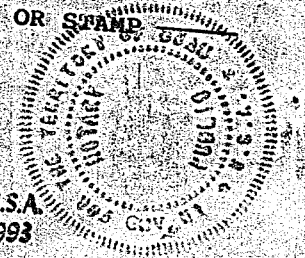
* IMPORTANT NOTICE: Delete, by lining out, whichever warranty (a) or (b) is not applicable. If warranty (a) is applicable and the beneficiary is a creditor or such word is defined in the Truth-in-Lending Act and Regulation Z, the disclosures MUST comply with the Act and Regulation by making required disclosures. If compliance with the Act not required, disregard this notice.

Rose A. Martin
x Fred Martin
D. R. MASON
(WITNESSED BY)

TERRITORY OF GUAM
CITY OF AGANA SS

On AUG. 14, 1988 before me, the undersigned, a Notary Public in and for the Territory of Guam, personally appeared DANIEL R. MASON 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 RITA AGANA GUAM that HE was present and saw FRED M. 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



TO HAVE AND TO HOLD unto the above named Beneficiary, his heirs, assigns and legal representatives, all that certain TRUST DEED which is more fully described in the foregoing instrument, together with all the covenants, conditions and warranties therein expressed, unto the said Beneficiary, his heirs, assigns and legal representatives, forever.

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 the parties designated by the terms of said trust deed.

DATED: 1988 at AGANA GUAM.

Do not lose or destroy this Trust Deed OR THIS NOTE which it secures. Both must be delivered to the trustee for cancellation before reconveyance will be made.

TRUST DEED

GRANTOR
BENEFICIARY
AFTER RECORDING RETURN TO

STATE OF OREGON
County of Klamath
I certify that the within instrument was received for record on the 21st day of Dec. 1988 at 11:50 o'clock A.M. and recorded in book M88 on page 21661 or as file/reel number 95143 Record of Mortgages of said County.

Witness my hand and seal of County affixed.

Evelyn Biehn
County Clerk
Title
B. D. Millendore, Deputy