

THIS TRUST DEED, made this 23rd day of AUG 1988, between  
**AUGUSTO F. CLENA & MARY ESTNER, V. CLENA**, TENANTS BY THE ENTIRETY,  
AS PEN TITLE & ESCROW, INC., IN ONE CON 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 10 in Block 34 of Tract 1184, Oregon Shores Unit 2, 1st Addition as shown on the map filed on November 6, 1978 in Volume 21, Page 29 of Maps in the office of the County Recorder of said County.

WITNESSETH, that the Grantor has caused to be drawn and recorded this instrument in the office of the County Recorder of said County, in the presence of two disinterested persons, who have read it, and fully understand its contents, and that the same is executed by the Grantor in his name and behalf, and for the sole use of the Grantor.

It is further agreed, by the parties hereto, that the Grantor's signature shall be witnessed by disinterested persons before being acknowledged by the Notary Public.

This instrument is recorded in the name of the Grantor.

together with all and singular the tenements, hereditaments and appurtenances and all other rights thereto belonging or in anywise now or hereafter pertaining, 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 **ELEVEN THOUSAND**

two hundred and fifty dollars, with interest thereon according to the terms of a promissory note of even date herewith, payable on **SEPT 20TH 1998**

beneficiary or date and made by grantor, the final payment of principal and interest hereof, if not sooner paid, to be due and payable on **SEPT 20TH 1998**. The date of maturity of the debt secured by this instrument is the date, stated above, on which the final installment of said principal and interest becomes due and payable; in the event of default, the written consent or approval of the beneficiary, at the beneficiary's option, all obligations secured by this instrument irrespective of the maturity date expressed therein, 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 a safe condition and repair, not to remove or damage any building or improvement thereon, not to commit or permit any waste or soil pollution, or damage or destruction to any part of the property.
2. To complete and restore promptly and in good and workmanlike manner, any building or improvement which may be constructed, damaged or destroyed thereon after such time as the same were incurred thereon.
3. To comply with all laws, ordinances, regulations, covenants, conditions, and restrictions affecting said property. If the beneficiary is required to put in execution any such financial statements pursuant to the Uniform Commercial Code or the beneficiary may require the grantor to pay for same in the proportionable share of the beneficiary, as well as the cost of all expenses made by filing officers, investigating agencies or otherwise.
4. To provide and continuously maintain insurance on the building thereon, hazards or the liability against loss or damage by fire and other hazards, no less than **NON**.

beneficiary, with loss payable to the latter, will receive a part of the premium or any such insurance as the grantor shall pay for any reduction in the amount of any such insurance or to deliver the policies to the beneficiary at least fifteen days prior to the expiration of any policy of insurance now or hereafter placed on such buildings, the beneficiary may receive the same as grantor's expense. The amount collected under any fire or other insurance, may be applied by beneficiary, at his discretion, secured hereby and in such order as beneficiary may determine, or at option of beneficiary the entire amount collected, or any part thereof, may be retained by grantor. Such application or retention shall not cure or waive any default or non-payment of default hereunder or invalidate any act done pursuant to such notice.

5. To keep said premises free from construction debris and to leave such debris, before any part of the same is removed, or to be removed by the grantor, and to promptly deliver receipts therefor to beneficiary; should the grantor fail to make payment of any such assessments, insurance premiums, taxes or other charges payable by grantor, either in full or in part, or payment or by providing monies, make payment thereon, and the amount so paid, beneficiary may, at his option, deduct such payment, together with interest at the rate set forth in the note secured hereby, from any payment of the obligation described in paragraphs 6 and 7 of this trust deed, shall be added to and become a part of 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, 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 attorney's fees including the cost of filing, as well as the other costs and expenses of the trustee incurred in connection with this obligation.

7. To appear and defend any action or proceeding, respecting to effect the security rights or powers of beneficiary, trustee, and/or 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 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, shall be paid by the trial court or by the appellate court if an appeal is taken.

It is mutually agreed that **10%** down is due initial.

8. In the event that any portion of all or part of the property shall be taken under the right of eminent domain or condemnation, the beneficiary shall have the right, if it so elects, to require that all or any portion of the sum 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 by beneficiary and applied by him first upon any reasonable 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 granted to him at his own expense to take such actions and execute such instruments as shall be necessary to obtain payment and compensation, promptly upon beneficiary's request.

9. At any time and from time to time upon written request of beneficiary, payment of his fees and presentation of this deed and the title, for enforcement of any provision for the payment of the indebtedness, trustee may (a) consent to the making of any map or plot of said property; (b) fail 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 valuable 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.

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

28015 - 389 - REC'D

PC 21686

The grantor warrants that the proceeds of the loan represented by the above described note and this trust deed are:

- (a) primarily for the personal family, household or agricultural purposes (see, Important Notice below);
- (b) for an organization, or (even if grantor is a natural person) is for business or commercial purposes other than agricultural.

This deed applies to, insures 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.

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.

X *Suzanne* #586-62-9129  
X *Mary E. V. Lluna* #586-62-  
witnessed by *alan Lee* 1356

(If the signer of the above is a corporation,

TERRITORY OF GUAM )  
CITY OF AGANA ) SS

On 14.6.23, 1988 before me,  
the undersigned, a Notary Public in and  
for the Territory of Guam personally  
appeared ALAN E. LEE  
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 109 SGT. AGORO AGGON  
ST. that HE was pre-  
sent and saw AUGUSTO F. LLUNA &  
MARY E.V. LLUNA personally known to  
HE to be the person described in, and  
whose name is subscribed to the within  
and annexed instrument, execute the same,  
and that affiant subscribed LLUNA name  
thereto as a witness to said execution.

Signature: *Lee*

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:

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 evidence 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. All reconveyance and documents to

DATED:

1988

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

TRUST DEED

on 14.6.23, 1988 at 109 SGT. AGORO AGGON,  
CITY OF AGANA, TERRITORY OF GUAM, in the amount of \$10,000.00

the undersigned, ALAN E. LEE, Grantor, for the sum of \$10,000.00, to MARY E.V. LLUNA, Beneficiary, for the sum of \$10,000.00, the sum of \$10,000.00 to be used for the purchase of a house.

Grantor

for the sum of \$10,000.00, to MARY E.V. LLUNA, Beneficiary, for the sum of \$10,000.00, the sum of \$10,000.00 to be used for the purchase of a house.

Beneficiary

AFTER RECORDING RETURN TO

A. T. C. 33-115-22-144-11-31-1001-JULY

Washington State Office of Securities  
last of file Bureau of Securities

STATE OF OREGON  
County of Klamath  
I certify that the within instru-

ment was received for record on the

21st day of Dec. 1988

at 11:57 o'clock A.M. and recorded

in book M88 on page 21685

or as file/recd number 95159

Record of Mortgages of said County.

Witness my hand and seal of

County affixed.

Evelyn Biehn

County Clerk

Title

Pauline Miller-Sore Deputy