

**96552**

**TRUST DEED**

\_\_\_\_\_, 1989, between

THIS TRUST DEED, made this 16th day of  
REDWOOD THEATRES, INCORPORATED, a Nevada corporation  
COUNTY

as *Grantor*, MOUNTAIN TITLE COMPANY OF KLAMATH COUNTY  
KATHERYN L. MANN

as Beneficiary,

WITNESSETH:

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:

10631 D SEE ATTACHED EXHIBIT A

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.

**PURPOSE OF SECURING PERFORMANCE** of each agreement of grantor herein contained and payment of the sum of three hundred and no/100ths of the dollar (\$3.00) to the terms of a promissory note made by the grantor to the grantee, the principal of which is payable on the 1st day of January, 1900, and interest thereon at the rate of 6% per annum.

FOR THE PURPOSE OF SECURING PERFORMANCE OF each agreement, the sum of \$1,000,000, \$250,000 and \$170,000 Dollars, with interest thereon according to the terms of a promissory note, to be made and made by grantor, the final payment of principal and interest hereof, if such promissory notes.

each dated 12/29/82, payable to beneficiary or order and made by grantor, the promissory notes, according to the terms of said promissory notes, 19.

not sooner paid, to be due and payable

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 described real property is not currently used for agricultural, timber or grazing purposes.

(a) consent to the making of any map or plat of said property; (b) join in any restriction thereon; (c) join in any deed or other instrument of the grantor, or of any of the grantor's heirs, assigns, devisees, legatees, or assigns, in the conveyance of said property.

The date of maturity of the debt secured by this instrument becomes due and payable.

becomes due and payable  
The above described

The above described real property is not currently

The above described real property is not currently

To protect the security of this trust deed, grantor agrees:

To protect the security of this trust deed, grantor agrees:

To protect the security of trust 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 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, and to pay for the same, in the joint and several liability of the beneficiary and to pay for filing of the same in the public office or offices, as well as the cost of all other searches made by filing officers or searching agencies as may be deemed desirable by the beneficiary.

[illegible][illegible]

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 trustee; and in any suit, fees actually incurred.

8. To appear in and powers of beneficiary's or trustee may appear, including effect the security rights in which the beneficiary or trustee may appear, including action or procedure in the foreclosure of this deed, to pay all costs and expenses, including any suit for foreclosure of this deed, to pay all costs and expenses, including any suit for 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 determined by the trial court, and if the event of an appeal, the judgment or decree of the trial court, and if the event of an appeal, the judgment or decree of the trial court shall adjudge reasonable as the beneficiary's or trustee's attorney's fees on such appeal.

9. The parties hereto mutually agreed that:

It is mutually agreed that:

8. In the event that all or said property shall be taken under the right of eminent domain or condemnation, beneficiary shall have the right, it is the intent of the parties, to receive the sum payable therefor, less the costs, expenses and attorney's fees necessarily paid or incurred by grantor in such proceedings, which are in excess of the amount payable to pay all reasonable costs, expenses and attorney's fees, incurred by grantor in such proceedings, shall be paid to beneficiary and applied by it first upon appellate courts, necessarily paid or incurred by beneficiary 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, shall be necessary in obtaining such compensation hereunder, and grantor agrees, shall be necessary in obtaining such compensation hereunder, and grantor agrees, shall be necessary in obtaining such compensation hereunder.

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

[illegible]

12. Upon default by grantor in payment of any indebtedness secured hereby or in his performance of any agreement hereunder, and payable in such an event the beneficiary at his option may proceed to foreclose this trust deed in equity as a mortgage. In the latter event the trustee or the trustee's advertisement and to be recorded his written notice of default and his election execute and to be recorded his written notice of default and his election to sell the said described real property at the time and place as set forth hereby, whereupon the trustee shall lawfully proceed to foreclose this trust deed as then required by law and proceed to foreclose this trust deed in the manner provided in Ord. 86,740 to 86,795.

[illegible]

14. Otherwise, the sale shall be held on the date and at the time and place designated in the notice of sale or the time to which said sale may be postponed as provided by law. The trustee may sell and property either in one parcel or in separate parcels and shall sell the parcel or parcels at the time to the highest bidder in cash, payable at the time of sale. Trustee shall deliver to the purchaser its deed in conformity with the conveyance made and all deliver to the purchaser without any covenant or warranty, express or implied, the property so sold, but without any matter of fact shall be conclusive proof of the truthfulness thereof. Any person, including the trustee, but including the grantor and any beneficiary, may purchase at the sale.

[illegible]

16. For any reason permitted by law beneficiary may from time to time appoint a successor or successors to any trustee named herein or to any trustee appointed hereunder. Upon such appointment, and without conveyance to the 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 substitution shall be made by written instrument executed by the beneficiary, containing 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.

17. Trustee accepts this trust as provided by law. Trustee is not acknowledged in made a public record of pending state under any other deed obligated to notify any party hereto in which grantor, beneficiary or trustee trust or of any action or proceeding in which grantor, beneficiary or trustee shall be a party unless such action or proceeding is brought by trustee.

9. At any time and from time to time after the date hereof, the Trust shall be a party unless such action is required by law.

10. The Trust shall have no liability or obligation under this deed if the trust assets are insufficient to satisfy the obligations of the trust at the time of presentation of this deed and the trustee may, without affecting its liability, payment 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.

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.

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, household or agricultural purposes (see Important Notice below);  
(b) for an organization, or (even if grantor is a natural person) are 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 pledgees, 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, if this instrument is to be a FIRST lien to finance the purchase of a dwelling, use Stevens-Ness Form No. 1305 or equivalent; if this instrument is NOT to be a first lien, or is not to finance the purchase of a dwelling use Stevens-Ness Form No. 1306, or equivalent. If compliance with the Act is not required, disregard this notice.

REDWOOD THEATRES, INCORPORATED

Richard Mann, President

STATE OF CALIFORNIA

COUNTY OF SAN FRANCISCO.

ss.

On this 19th day of January, 1989, in the year

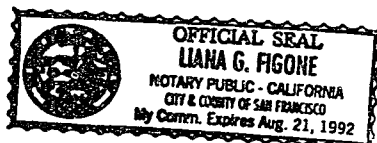
Liana G. Figone, a Notary Public, State of California, duly licensed and sworn, personally appeared RICHARD MANN

personally known to me (or proved to me on the basis of satisfactory evidence) to be the person who executed the within instrument as President or on behalf of the corporation therein named and acknowledged to me that such corporation executed the within instrument pursuant to its by-laws or a resolution of its board of directors.

IN WITNESS WHEREOF I have hereunto set my hand and affixed my official seal in the San Francisco, County of California, on the date set forth above in this certificate.

Notary Public, State of California

My commission expires August 21, 1992



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Cowdery's Form No. 28 — Acknowledgement to Notary Public — Corporation (C. C. Secs. 1190-1190.1) — (Rev. 1/83)

TO: \_\_\_\_\_, Trustee

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: \_\_\_\_\_, 19\_\_\_\_

Beneficiary

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

## TRUST DEED

(FORM No. 281-1)

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

REDWOOD THEATRES, INCORPORATED

a Nevada corporation

Grantor

KATHERYN L. MANN

Beneficiary

AFTER RECORDING RETURN TO

Katheryn L. Mann  
760 Holly Avenue  
Rohnert Park, CA 94928

SPACE RESERVED  
FOR  
RECORDER'S USE

STATE OF OREGON,

County of \_\_\_\_\_ } ss.

I certify that the within instrument was received for record on the \_\_\_\_\_ day of \_\_\_\_\_, 19\_\_\_\_, at \_\_\_\_\_ o'clock \_\_\_\_\_ M., and recorded in book/reel/volume No. \_\_\_\_\_ on page \_\_\_\_\_ or as document/fee/file/instrument/microfilm No. \_\_\_\_\_, Record of Mortgages of said County.

Witness my hand and seal of County affixed.

NAME

TITLE

By \_\_\_\_\_ Deputy

EXHIBIT A  
DESCRIPTION

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Tower Theatre Property

A parcel of land situate in the NW $\frac{1}{4}$ NW $\frac{1}{4}$ , Section 3 Township 39 South Range 9 East of the Willamette Meridian, Klamath County, Oregon, more particularly described as follows:  
Commencing at the section corner marking the NW corner of Section 3, Township 39 South, Range 9 East of the Willamette Meridian, Klamath County, Oregon, and running thence S.0°00'30"E along the Westerly boundary of said Section 3, 826.8 feet more or less, to its intersection with a line parallel with and 75 feet distant at right angles Northeasterly from the centerline of the Dalles-California Highway, also known as South Sixth Street, as the same is now located and constructed; thence S.55°52 $\frac{1}{2}$ 'E along said parallel line 36.2 feet, more or less, to a point in the line marking the Easterly boundary of Washburn Way, as the same is now located and constructed, which point is the true point of beginning of this description, running thence S.55°52 $\frac{1}{2}$ 'E along said parallel line 426.92 feet, more or less to a point, thence N.34°07'30"E, 175 feet more or less to a point on the Southwesterly right of way line of Pershing Way, thence N.55°52'30"W along said right of way line a distance of 545.52' feet more or less to its intersection with the Easterly right of way line of Washburn Way, thence S.0°00'30"E along said right of way line 211.4 feet, more or less, to the true point of beginning.

STATE OF OREGON: COUNTY OF KLAMATH: ss.

Filed for record at request of Redwood Theatres, Inc.  
of Jan. A.D., 19 89 at 2:43 o'clock P.M., and duly recorded in Vol. M89 day  
of Mortgages on Page 1878  
By Evelyn Biehn County Clerk  
Dorlene Mullins

FEE \$18.00