

TRUST DEED

1989, between

as Grantor, Mountain Title Company.

WALTER SHOLD & BERNICE SHOLD, husband and wife
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 13, Block 1, BELLA VISTA TRACT NO. 1235, according to the official plat thereof
on file in the office of the County Clerk of Klamath County, Oregon.

Tax Account No 3507 007DC 00800

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.

THE PURPOSE OF SECURING PERFORMANCE of each agreement of grantor herein contained and payment of the

FOR THE PURPOSE OF SECURING PERFORMANCE of each of the above contracts, the sum of **TWENTY TWO THOUSAND AND NO/100** Dollars, with interest thereon according to the terms of a promissory note executed by the grantor, shall be paid by the grantor to the grantee, who shall retain the same until the final payment of principal and interest hereof, it being the intent of the parties hereto that the sum hereinabove mentioned shall constitute a loan to the grantee.

note of even date herewith, payable to beneficiary or order and made by grantor, _____, 19____,
not sooner paid, to be due and payable _____ as per terms of note _____, on which the final installment of said note
is due at maturity of the debt secured by this instrument is the date, stated above, on which the final installment of said note
is due, and upon the sale of the described property, or any part thereof, or any interest therein is sold, agreed to be
sold, or otherwise disposed of, the proceeds of such sale shall be applied first to the payment of the principal of and interest on
said note, and the balance, if any, shall be paid to the beneficiary, _____, or his assigns.

The date of maturity of the debt secured by this instrument is the date when the debt becomes due and payable. In the event the within described property, or any part thereof, or any interest therein, is 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 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.

To comply with all laws, ordinances, regulations, covenants, conditions and restrictions affecting said property; if the beneficiary so requests, to join in executing such financing statements pursuant to the Uniform Commercial Code as the beneficiary may require and to pay for filing same; the official Code as the beneficiary may require and to pay for filing same; the proper public office or offices, as well as the cost of all lien searches made by filing officers or searching agencies as may be deemed desirable by the beneficiary; to provide and continuously maintain insurance on the buildings and contents thereof against fire, theft and loss or damage by fire.

4 by filing suit. To provide and continuously maintain insurance on the buildings and
beneficial interests therein, the said premises against loss or damage by fire, theft,
now or hereafter erected on the said premises may from time to time, require, in
and such other less than \$____vacant land____, and
an amount acceptable to the beneficiary, to the beneficiary, as soon as insured,
companies of insurance shall be delivered to the beneficiary, upon the expiration
if the grantor shall fail or refuse to procure any such insurance, or if the
deliver said policy of insurance now or hereafter on said buildings, the amount
tion of any beneficiary may procure the same insurance policy may be applied by the beneficiary
collected under any fire or other insurance policy may be applied by the beneficiary
collected under any fire or other insurance policy may be applied by the beneficiary
ciary upon any indebtedness secured hereby and in such order as the beneficiary
may determine, or the portion of beneficiary the entire amount so collected, or
any part thereof, may be released to grantor. Said release or release shall
not be void or waive any default or notice of default hereunder or invalidate any
act done pursuant to such releases. The beneficiary shall be free from construction liens and to pay a
not done pursuant to such releases. The beneficiary shall be free from construction liens and to pay a

[illegible]

6. To pay all costs, fees and expenses of this trust including as the other costs and expenses of the trustee incurred in enforcing this obligation and trustee's and attorney's fees actually incurred.

[illegible]

It is mutually agreed that:

[illegible]

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 (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 lien or charge thereon; (d) reconvey, without warranty, all or any part of the property. The trustee in (d) reconvey, without warranty, all or any part of the property to the grantee in any reconveyance may be any person or persons named in the deed of reconveyance and the beneficiaries therein of any matters or facts shall be conclusively entitled thereto," and the beneficiaries therein of any matters or facts shall be conclusively entitled thereto. Trustee's fees for any of the services mentioned in this paragraph shall be not less than \$5.

10. Upon any default by grantor hereunder, beneficiary may at any time without notice, either in person or by a receiver to be appointed by a court of equity, enter upon and take possession of said property thereby secured, enter upon and take possession of the rents, issues and profits, including the same and unpaid, and apply the same to the payment of the principal and interest on the debt, and to the payment of the costs and expenses of operation and collection, including reasonable attorney's fees, and expenses of indebtedness secured hereby, and in such order as beneficiary may determine.

11. 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 policies 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 such notice.

[illegible][illegible][illegible][illegible]

16. Beneficiary may from time to time appoint a successor or successors to the trust or to any successor trustee appointed by the trust or to any trustee named hereunder, and all such appointments shall be in writing and under. Upon any such appointment, and without conveyance of the trust property to the trustee so appointed, and duties and responsibilities of the latter shall be vested with and shall devolve upon the trustee herein named or so appointed by written instrument executed by and substituted shall in the mortgage records of the county in which the property is situated, shall be conclusive proof of proper appointment of the successor trustee.

17. Trustee accepts this trust when this deed, duly executed and acknowledged is made a public record as provided by law. Trustee is obligated to notify any party hereto of pending sale under any other trust or of any action or proceeding in which grantor, beneficiary or trustee be a party unless such action or proceeding is brought by trustee.

(a) consent to the making of any map or plat of said property; (b) join in the

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 end 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 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.

STATE OF OREGON, County of... Wai Ng, Chun Ng

STATE OF CALIFORNIA, COUNTY OF LOS ANGELES

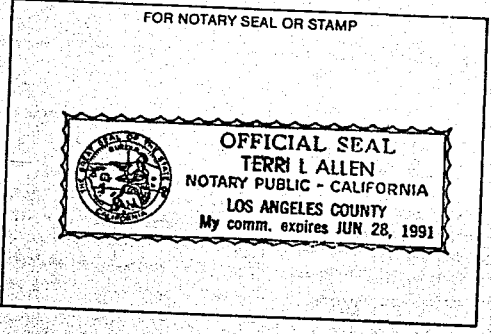
On MAY 25, 1989 before me the undersigned, a Notary Public in and for said County and State, personally appeared KERRY PENN

person whose name is subscribed to the within instrument as a witness thereto, (or proved to be such person by the oath of a credible witness who is personally known to me), who being by me duly sworn, deposes and says: That HE

TARZANA, CALIFORNIA resides at that HE was present and saw WAI NG & CHUN NG

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 of said execution.

Signature [Signature]



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. 881) STEVENS-NESS LAW PUB. CO. PORTLAND, ORE. Grantor: [Name] Beneficiary: [Name]

CORNER, CLERK OF RECORD, 18401 NO. 1332 RECORDING TO FILE SPACE RESERVED FOR RECORDER'S USE Fee \$13.00

STATE OF OREGON, County of Klamath. I certify that the within instrument was received for record on the 1th day of June, 1989, at 12:05 o'clock P.M., and recorded in book/reel/volume No. M89 on page 10094 or as fee/file/instrument/microfilm/reception No. 1148. Record of Mortgages of said County. Witness my hand and seal of County affixed. Evelyn Biehn, County Clerk