

THIS TRUST DEED, made this 29th day of December, 1989, between
Stephen J. Keller and R. Sue Keller, husband and wife

TRENDWEST, Inc. an Oregon corporation
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:

Official plat

Lot 2, Block 1, TRACT NO. 1251, OLENE HILLS, according to the official plat thereof on file in the office of the County Clerk of Klamath County, Oregon.

Tax Account No: 3910-02300 00900

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.

IN WITNESS WHEREOF, I have hereunto set my hand and seal of office, this 1st day of May, 1900.

JOSEPH W. HARRIS, Mayor of the City of New York.

FOR THE PURPOSE OF SECURING PERFORMANCE of each agreement of grantor herein contained and payment of the sum of Seven Thousand Five Hundred and No/100 Dollars, with interest thereon according to the terms of a promissory note executed by said real estate.

sum of Seven thousand five hundred Dollars, with interest thereon according to the terms of a promissory note of even date herewith, payable to beneficiary or order, and made by grantor, the final payment of principal and interest hereof, if not sooner paid, to be due and payable per terms of note, 1919.

note of even date herewith, payable to beneficiary or order of _____, 19____.

not sooner paid, to be due and payable per terms of note _____, 19____, stated above, on which the final installment of said note

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, agreed to be sold, conveyed, assigned or alienated by the grantor without first having obtained the written consent or approval of the beneficiary, all obligations secured by this instrument, irrespective of the maturity dates expressed therein, or then, at the beneficiary's option, 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; not to commit or permit any waste of said property.

not to commit or permit any waste of space and in food and workmanlike manner; to complete or better any improvement which may be constructed, damaged or destroyed thereon, and pay when due all costs incurred in such repairs; to observe and comply with all laws, regulations, covenants, conditions and restrictions applicable to the property; to execute and deliver all documents and instruments required by the Board of Commissioners for the purpose of carrying out the provisions of the Code; to execute and deliver all documents and instruments required by the Board of Commissioners for the purpose of carrying out the provisions of the Code as the beneficiary may request; to pay for filing same in the proper public office or offices; to pay for all searches made by the proper officers or searching agencies as may be deemed desirable by the beneficiary; to continuously maintain insurance on the buildings

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 \$50,000.00, vacant land to the latter; all companies acceptable to the beneficiary; with loss payable to the latter; and policies of insurance shall be delivered to the beneficiary as soon as insured; if the grantor shall fail for any reason to procure any such insurance and to deliver said policies to the beneficiary, nor hereafter placed on said buildings, then any policy of insurance now or hereafter placed on said buildings shall be the property of the beneficiary, and the same at grantor's expense. The amount of the beneficiary may procure other insurance policy may be applied by the beneficiary collected under any first mortgage secured hereby and in such order as the beneficiary may determine, may be released to grantor. Such application or release shall not constitute a release of the beneficiary from the obligation to maintain insurance on the buildings, and the beneficiary shall not be released or waived any default or notice of default hereunder or invalidate any other provision of this deed.

[illegible]

7. To take and defend any action or proceeding in any suit, affecting the security rights or powers of beneficiary or trustee may appear, including action or proceeding in which the beneficiary or trustee's attorney in fact shall be paid for the services rendered by him in such suit, to pay all costs and expenses, including the reasonable attorney's fees and costs of the beneficiary or trustee in all cases shall be including the reasonable attorney's fees and costs of the beneficiary or trustee in all cases shall be fixed by the trial court and in the event of an appeal from any judgment or decree of the trial court, the grantor further agrees to pay such sum as the appellate court shall adjudge reasonable as the beneficiary's or trustee's attorney's fees on such appeal.

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 hereon; (d) reconvey, without warranty, all or any part of the property. The person or persons who execute this deed as grantor or grantors shall be deemed to warrant to the grantee in this deed that the person or persons who execute this deed as grantor or grantors are the person or persons who are entitled to the property hereinafter described and that the recitals therein of any matters or facts shall be the conclusive proof of the truthfulness thereof. Trustee's fees for any of the services mentioned in this paragraph shall be not less than \$5.

by conclusive proof of the truthfulness of the foregoing statements. The amount of the services mentioned in this paragraph shall be not less than \$5,000.00. If the beneficiary, by default by grantor hereunder, beneficiary may at any time without notice, either in person, by agent or otherwise, take possession of any security for pointed by a court, and without regard to the priority of the security interest of the beneficiary in the indebtedness hereunder, in its own name sue or otherwise to enforce the collection of the same, issues and profits, including those past due and to come, and to apply the same, after the payment of the costs and expenses of collection, including reasonable attorney's fees and costs and expenses of collection, to the satisfaction of the beneficiary. The beneficiary may determine the amount of the indebtedness secured hereby, and in such order as the beneficiary may determine.

11. The entering upon and taking possession of said property, the collection of such rents, issues and profits, of 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 in such notice.

12. Upon default by grantor in payment of any indebtedness secured hereby or in his performance of any agreement hereunder, time being of the respect to such payment and/or performance, the beneficiary may exercise all sums secured hereby immediately and without notice to foreclose this trust deed and to sell the property thereon and to proceed to foreclose this trust deed in event the beneficiary at his election directs the trustee to foreclose this trust deed in equity as a mortgage and may direct the trustee to pursue any and all right or advertisement either at law or in equity, which the beneficiary may have. In the event the beneficiary elects to foreclose this trust deed by advertisement and sale, the beneficiary elects to be recorded his written notice of advertisement and sale, and the trustee shall execute and cause to be recorded his obligation the trustee shall execute and cause to be recorded his obligation to sell the property and his election to sell the said described real property to said place of sale, give notice thereof whereupon the trustee shall fix the time and place of advertisement and sale thereof as then required by the provisions of Sections 66.735 to 66.739. advertisement and

secured hereby whereupon the trustee shall be required by law and process to foreclose this mortgage and to sell the property thereon and to receive the proceeds thereof as then required by law and process in the manner provided in ORS 86.733 to 86.795. If, after the trustee has commenced foreclosure by advertisement and sale, and at any time prior to 5 days before the date the trustee conducts the sale, the grantor or any other person so obligated by ORS 86.753, may cure the default or defaults. If the default consists of a failure to pay, when due, the sum secured by the trust, the default may be cured by paying the entire amount due at the time of the cure other than such portion as would not then be due had no default occurred. Any other default which is capable of being cured may be cured by tendering the performance of the cure or the obligation or part thereof. In any case, in addition to the cure the beneficiary all costs and expenses actually incurred in enforcing the obligation of the trust deed together with trustee's and attorney's fees not exceeding the amounts provided by law. The sale shall be held on the date and at the time and

[illegible][illegible]

16. Beneficiary may from time to time appoint a successor or successors to any trustee named herein or to any successor or trustee appointed hereunder. Upon such appointment, the trust shall be vested with all title, powers and duties of the trustee, the trustee herein named or appointed hereunder, and such appointment and substitution shall be made by a written instrument executed by beneficiary, and the same shall be recorded in the mortgage records of the county or counties in which the property subject to the mortgage 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 not obligated to notify any party hereto of pending sale under any other deed of 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.

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

NONE

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).

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.

(If the signer of the above is a corporation, use the form of Acknowledgment opposite.)

STATE OF OREGON

County of Klamath

This instrument was acknowledged before me on December 29, 1989, by

Stephen J. Keller

R. Sue Keller

(SEAL)

My commission expires 11/16/91

Notary Public for Oregon

STATE OF OREGON,

County of

This instrument was acknowledged before me on

19, by

as

of

Notary Public for Oregon

My commission expires:

(SEAL)

REQUEST FOR FULL RECONVEYANCE

To be used only when obligations have been paid.

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. 681)

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

Stephen and R. Sue Keller
6415 Harlan Drive
Klamath Falls, OR 97603

Grantor

Trendwest, Inc.
303 Main Street Ste. 404
Klamath Falls, OR 97601

Beneficiary

AFTER RECORDING RETURN TO

Trendwest, Inc.
303 Main Street Ste. 404
Klamath Falls, OR 97601

SPACE RESERVED
FOR
RECORDER'S USE

13.00

STATE OF OREGON,

County of Klamath

I certify that the within instrument was received for record on the 29 day of Dec., 1989, at 3:25 o'clock P.M., and recorded in book/reel/volume No. M89 on page 25228 or as fee/file/instrument/microfilm/reception No. 9636 Record of Mortgages of said County. Witness my hand and seal of County affixed.

Evelyn Biehn Co Clerk

By Bernetha S. Petch Deputy