

**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:  
The NE1/4 W1/2 S1/2 NE1/4 of Section 16, Township 24 South, Range 10 East of the Willamette Meridian, Klamath County, Oregon.

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.

FOR THE PURPOSE OF SECURING PERFORMANCE of each agreement of grantor herein contained and payment of the sum of THIRTY THREE THOUSAND FIVE HUNDRED AND 00/100 \*((\$33,500.00)\*) Dollars, with interest thereon according to the terms of a promissory note made by said grantor and interest hereof, if

sum of THIRTY THREE THOUSAND FIVE HUNDRED AND NO/100 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 May 10, 1998, on which the final installment of said note is due, and by this instrument is the date, stated above, on which the final installment of said note is sold, agreed to be paid.

note of even date herewith, payable to beneficiary of this note, May 10, 1998,  
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. 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, 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.

1. To protect, preserve and maintain said property in good condition and repair; not to remove or demolish any building or improvement thereon; and 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, and pay when due all costs incurred therefor.

3. 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; if the beneficiary may require and to pay for filing searches made 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; and to continuously maintain insurance on the buildings

by filing officers or searching agencies.

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 the insurable value.... written in company acceptable to the beneficiary, with loss payable to the last named party of insurance shall be delivered to the beneficiary if such insurance and to the beneficiary if the grantor shall fail or any reason to prevent delivery of such policy to the beneficiary at least fifteen days prior to the expiration of said policies to the beneficiary now or hereafter placed on said buildings, under any policy or policies procured by the grantor's expense. The beneficiary may procure the same at grantor's expense. The beneficiary may terminate or modify the insurance policy or policies which the beneficiary has secured under any fire or other insurance policy may be terminated or modified by the beneficiary upon any indebtedness secured hereby and such order as beneficiary may determine, or at option of the beneficiary the entire amount so collected, or any part thereof, may be released to grantor. Such application or release shall be made by the beneficiary and no default or notice of default hereunder or invalidate any part thereof, nor will it constitute a breach of any obligation of the beneficiary not done pursuant to such notice.

The beneficiary agrees to release from construction liens and to pay all

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 before any part of such taxes, assessments and other charges become past due or delinquent and promptly deliver receipts therefor to the beneficiary; should the grantor fail to make payments payable by grantor, either payments, insurance premiums, liens or other charges payable by grantor, either by direct payment or by providing for the beneficiary with funds with which to make such payment, beneficiary may, at its option, make payment thereof and the amount so paid shall be its interest at the rate set forth in the note secured hereby, together with the obligations described in paragraphs 6 and 7 of this deed, shall be added to and become a part of the debt secured by this deed, without waiver of any rights arising from the note as aforesaid, the provisions hereof and for such payments, which shall be the obligation of the grantor, shall be bound to the grantor herebefore described, and the grantor shall be bound to the payment of the obligation herein described, and said payments shall be immediately due and payable without demand, and the nonpayment thereof shall, at the option of the beneficiary, constitute a breach of this trust deed immediately due and payable and 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 the trustee incurred 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 accor's fees actually incurred. . . . and defend any action or proceeding purporting to

in connection with or in enforcing this deed, the beneficiary's or trustee's fees actually incurred. To defend and defend any action or proceeding purporting to affect the security rights or powers of beneficiary or 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 as mentioned in this paragraph 7 in all cases shall the amount of attorney's fees mentioned in the event of an appeal from any judgment or order by the trial court, and in the event of an appeal from any judgment or order by the trial court, 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:*

**It is mutually agreed that:**

8. In the event that any portion or all of said property shall be taken under the right of eminent domain or condemnation, beneficiary shall have the right, if it so elects, to recover for any portion of the monies payable as compensation for such taking, which are in excess of the amount required for reasonable costs, expenses and attorney's fees necessarily paid or incurred by grantor in such proceedings.

9. Beneficiary shall be entitled to all costs and expenses and attorney's fees, applied by it first upon any appeal, and thereafter upon any writ or writs secured hereby; and grantor agrees, and its heirs, assigns and legal representatives agree, to execute such instrument upon beneficiary's request.

10. Beneficiary shall be necessary in obtaining such compensation as may be awarded by the court upon the written request of beneficiary.

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) convey, without warranty, all or any part of the property. The grantee in any reconveyance may be described as the "person or persons legally entitled thereto," and the recitals therein of any matters or facts shall be conclusive proof of the truthfulness thereof. Trustee's fees for any of the above 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, by agent, or by attorney, be served with a writ of assistance, or by any other legal process, to enter upon and take possession of said property for the interest therein secured, enter upon and take possession of said property for the interest therein secured, and to receive the rents, issues and profits, including those past due or otherwise payable, and any other income or any part thereof, in its own name sue or otherwise, and apply the same, issues and profits, including those past due or otherwise payable, and any other income or any part thereof, in its own name sue or otherwise, and apply the same, less costs and expenses of collection, and of the maintenance and repair of the property, and of the interest therein secured, 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.

waive any default or notice of default hereunder, and shall be deemed to have agreed to be bound by the terms of this deed pursuant to 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 essence with respect to payment and/or performance, the beneficiary may, at its option, elect to foreclose on the property secured hereby immediately due and payable. The beneficiary may also declare all amounts secured hereby immediately due and payable. In such event, the beneficiary at his election may proceed to foreclose this trust deed by advertisement and sale, or direct the trustee to pursue any other right or remedy, either at law or in equity, which the beneficiary may have. In the event the beneficiary elects to foreclose by advertisement and sale, the beneficiary or the trustee shall execute and cause to be recorded his written notice of election and the trustee shall then sell the said described real property to satisfy the obligation and his election thereupon the trustee shall fix 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 86.735 to 86.795.

13. In the event of a foreclosure by advertisement and sale, the beneficiary

notice thereof as then required by § 135 to \$6,775.

13. 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 privileged by ORS 67.753, may cure the default or defaults. If the default or defaults are cured by paying the sums secured by the debt at the time of the cure other than such portion of the entire amount due at the time of the cure as the trustee is capable of returning to the grantor, the debt shall be deemed cured. If the debt was due had no default occurred. Any other default or defaults required under the deed may be cured by tendering the sums due in addition to curing the default or obligation or trust deed. The grantor shall pay to the beneficiary all the costs and expenses actually incurred in enforcing the obligation of the deed together with trustee's and attorney's fees not exceeding the amounts provided by law.

14. The cure shall be held on the date and at the time and

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 said property in one or more parcels or in separate parcels and shall sell the same of said parcels at auction to the highest bidder for cash, in the form as required by law conveying said deliver to the purchaser without any covenant or warranty, express or implied, of the propriety or without any guarantee or warranty, express or implied, of the truthfulness thereof. Any purchase of said sale shall be conclusively presumed to be made in good faith and for value. The trustee, but including the purchaser at the sale.

15. When trustee sells property in whole or in part to the trust for the purposes provided herein, trustee shall pay the proceeds of sale to payment of (1) the expenses of sale, including the cost of advertising, (2) the compensation of the trustee and a reasonable charge to all persons for their services, (3) the obligation secured by the mortgage of the trustee in the trust having recorded lien subsequent to the date of the trust of the trustee in the trust deed as their interest in the property may appear in the order of their priority and (4) the interest of any person claiming an interest in the property in interest entitled to such interest as may be determined by the court.

16. Beneficiary may from time to time appoint a successor or successors to any trustee named herein or to any successor trustee appointed hereunder. Upon such appointment, the trustee shall, with and without conveyance to the successor trustee, the trustee shall be vested with all title, powers and duties of the trustee, and the trustee shall be deemed to have been appointed and substituted as trustee herein named or appointed hereunder. The appointment and substitution shall be made by written instrument, executed by beneficiary, in which the provisions of the mortgage records of the county or counties in which the property is situated, shall be conclusive proof of proper appointment of the successor trustee.

which the property is situated, shall be contained in the deed of the successor trustee. If the trustee accepts this trust when this deed, duly executed and acknowledged is made a public record as provided by law, the 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.

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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 except covenants, conditions, restrictions, and easement of record.

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

Purchaser shall not remove or cut any live trees on the property without the written consent of seller. Said Note and Trust Deed shall be due and payable upon the sale of said property.

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-Mess Form No. 1319, or equivalent. If compliance with the Act is not required, disregard this notice.

X *Jon E. Findley*  
JOHN E. FINDLEY  
X *Ira Y. Thomson*  
IRA Y. THOMSON

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

STATE OF OREGON, )  
County of Deschutes ) ss.

This instrument was acknowledged before me on  
May 8, 1990, by

JOHN E. FINDLEY  
IRA Y. THOMSON  
*[Signature]*  
Notary Public for Oregon  
(SEAL) My commission expires: 12-11-93

STATE OF OREGON, )  
County of ) ss.

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. 881)

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

JOHN E. FINDLEY

IRA Y. THOMSON

Grantor

JOHN WAYNE MILLER

Beneficiary

AFTER RECORDING RETURN TO  
KENCO DATA SERVICES, INC.  
P.O. BOX 7286  
BEND, OR 97708

SPACE RESERVED  
FOR  
RECORDER'S USE

STATE OF OREGON, )  
County of Klamath ) ss.

I certify that the within instrument was received for record on the 10th day of May, 1990, at 8:57 o'clock AM., and recorded in book/reel/volume No. M90 on page 8872 or as fee/file/instrument/microfilm/reception No. 14673, Record of Mortgages of said County.

Witness my hand and seal of County affixed.

Evelyn Biehn, County Clerk

NAME

TITLE

By *Raquel Mullender* Deputy

Fee \$13.00