

TRUST DEED

T-40037

as Grantor, CONTINENTAL LAWYERS TITLE COMPANY, as Trustee, and
BREITBARTH PROPERTIES
whose address is P.O. Box 687, Medford, OR 97501
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:

Lot 34, Except the Southerly 33.4 feet and the South 3 feet of Lot 35, BAILEY TRACTS, according to the official plat thereof on file in the office of the County Clerk of Klamath County, Oregon.

Tax Account No. 3909 002DC 04500

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 FOUR THOUSAND FIVE HUNDRED EIGHT TWO AND NO/100 (\$4,582.00) Dollars with interest thereon according to the terms of a promissory

sum of FOUR THOUSAND FIVE HUNDRED EIGHT TWO 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 MATURITY, 1919.
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.

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.

2. To complete or restore promptly and in good and workmanlike manner any building or improvement which may be constructed, damaged or

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3. To comply with all laws, ordinances, regulations, covenants, conditions and restrictions affecting said property; and the beneficiary so requests, in executing such financing, the beneficiary shall be pursuant to the Uniform Commercial Code as the beneficiary may require and to pay for filing same in the proper public office or offices, as well as the cost of all lien searches made by the public officers or searching agencies as may be deemed desirable by the beneficiary.

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

now or hereafter erected, as the **INSURABLE VALUE** to time require, in
and such other less than \$_____ written in
an amount not less than _____
conditions acceptable to the beneficiary, with loss payable to the
policies of insurance shall be delivered to the beneficiary soon as insured;
if the grantor shall fail for any reason to deliver such policy of insurance and to
deliver said policies to the beneficiary at least fifteen days prior to the expiration
of any policy of insurance now or hereafter placed on said buildings,
then the beneficiary may procure the same at grantor's expense. The beneficiary
collected under any life or other insurance policy may retain such amount as ben-
eficiary upon any indebtedness secured hereby and the entire amount so collected, or
may determine, or at option of the beneficiary, release the entire amount so collected, or
any part thereof, to be released to grantor. Such application or release shall be
noted by the beneficiary, and no default or notice of default hereunder or invalidate an
done pursuant to such notice.

5. To keep property and interests 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 or other charges become past due or delinquent and promptly deliver all receipts therefor to beneficiary; should the grantor fail to make payment of any taxes, assessments, insurance premiums, liens or other charges payable by grantor, either by direct payment or by providing beneficiary with funds with which to make such payment, beneficiary shall, at its option, make payment thereof, and the amount so paid, with interest at the rate set forth in the note secured hereby, together with the obligations described in paragraphs 6 and 7 of this trust deed, shall be added to and become a part of the debt secured by this trust deed, without waiver of any rights arising from breach of said covenants hereof and for such payments, with interest as aforesaid, the proponents hereof and for such payments, with interest as aforesaid, shall be bound to the extent that they are bound to the performance of the obligation herein described, and all such payments shall be immediately due and payable with- out notice, and the nonpayment thereof shall, at the option of the beneficiary, render all sums specified in this trust deed immediately due and payable and

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.

... defend any action or proceeding purporting to

[illegible]

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 request, or any portion of the monies payable as compensation or for taking, which are in excess of the amount required to satisfy all reasonable costs, expenses and attorney's fees necessary and incurred by grantor in such proceedings, shall be paid to beneficiary and attorney's fees, applied by it first upon its own expenses and expenses and attorney's fees, and then upon the balance of the proceeds of such proceedings, necessarily paid or incurred by beneficiary in such proceedings, and the balance applied upon the proceeds of such proceedings, and the balance applied upon the proceeds of such proceedings, to take such actions secured hereby; and grantor agrees, and its heirs, assigns and legal representatives shall be necessary in obtaining such compensation and execute same promptly upon beneficiary's request.

_____ 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) reconvey, 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 services shall be not less than \$5.

be conclusive proof of the truthfulness of the statements made herein.

The services mentioned in this paragraph shall be not less than \$5.
In default by grantor hereunder, beneficiary may at any time without notice, either in person, by agent or by a receiver to be appointed by a court, and without regard to the rights of third parties, enter upon and take possession of said property if the indebtedness hereby secured shall remain unpaid for a period of thirty days after demand therefor has been made in writing by the beneficiary in its own name sue or otherwise collect the rents, issues and profits, including those past due and unpaid, and apply the same to the payment of such indebtedness, together with all reasonable attorney's costs and expenses of operation and collection, and in such order as beneficiary feels upon the indebtedness secured hereby, and in such order as beneficiary may deem fit.

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]

notice thereof as then received by the trustee in the manner provided in ORS 86.735 to \$67,935. 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 privileged by ORS 86.735 may cure the default or defaults. If the default consists of a failure to pay, when due, the sums secured by the trust deed, the default may be cured by paying the entire amount due at the time of the cure other than such portion as would have been due had no default occurred. Any other default that is capable of cure may be cured by tendering the amount required to cure the default or defaults, the person effecting the tender shall be entitled to the benefit of the obligation or obligations of the trust deed. In any case, in addition to the amount required to cure the default or defaults, the person effecting the tender shall be entitled to the benefit of the obligation or obligations of the trust deed. In any case, the costs and expenses actually incurred in enforcing the obligation of the trust deed together with the trustee's and attorney's fees not exceeding the amounts provided for in the deed shall be paid by the grantor at the time the default is cured.

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 in said notice. The trustee may sell said property either in whole or in separate parcels and shall sell the parcel or parcels selected to the highest bidder for cash, payable at the time of sale. The trustee shall deliver to the purchaser its deed and any covenant or warranty, express or implied, in the property, and shall execute and deliver all documents required by law conveying the property and shall execute and deliver all affidavits, oaths, and other documents and recitals in the deed of any matters of fact shall be conclusive upon the trustee, but including the truthfulness thereof. Any person, at the time of the sale,

15. When trustee sells pursuant to the powers provided herein, trustee shall apply the proceeds of sale to payment of (1) the expenses of sale, if any, (2) the compensation of the trustee and a reasonable charge by trustee for the services rendered by trustee, (3) the payment of the debt of the trust to the attorney, (2) to the obligation secured by the trust deed, (4) to the trustee in the having recorded liens subsequent to the date of the death of the settlor, and (5) to the settlor's interests may appear in the order of their priority and (4) the balance of the proceeds of sale to the grantor or to his successor in interest entitled to such surplus, if any, to the grantor or to his successor in interest entitled to such surplus.

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 and without conveyance to the successor trustee, the trust shall be vested with all title, powers and duties conferred upon the trustee herein named or appointed hereunder. Each appointment and substitution shall be made by written instrument duly attested by beneficiary and when recorded in the mortgage records of the county or counties in which the property is situated, shall be conclusive proof of proper appointment.

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 deed in trust or of any action or proceeding in which grantor, beneficiary or trust 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

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.

JOHN E. BATZER

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

STATE OF OREGON

County of

This instrument was acknowledged before me on

JOHN E. BATZER

(SEAL)

My commission expires:

1/11/92

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. 881-1)

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

JOHN E. BATZER

Grantor

BREITBARTH PROPERTIES

Beneficiary

AFTER RECORDING RETURN TO

JACKSON COUNTY TITLE DIVISION
P.O. Box 218, (502 West Main Street)
Medford, Oregon 97501

SPACE RESERVED
FOR
RECORDER'S USE

STATE OF OREGON,
County of Klamath

I certify that the within instrument was received for record on the 16th day of May, 1990, at 11:36 o'clock A.M., and recorded in book/reel/volume No. M90 on page 9329 or as fee/file/instrument/microfilm/reception No. 14934. Record of Mortgages of said County. Witness my hand and seal of County affixed.

Evelyn Biehn, County Clerk
NAME TITLE
By Paul M. M... Deputy

Fee \$13.00