

TRUST DEED

THIS TRUST DEED MADE this 14th day of April 1990 between
 JAMES P. MIDDLEBROOKS AND GLORIA M. MIDDLEBROOKS HIS WIFE
 whose address is 5542 MASON LANE KLAMATH FALLS OR 97601 as Grantor,
 FIRST AMERICAN TITLE INSURANCE COMPANY OF OREGON
 and, AMRE INC. AN AUTHORIZED SEARS CONTRACTOR ✓ as Trustee,
 whose address is 4949 W. FOZAL LANE IRVING, TX 75063 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 5 IN BLOCK 5 OF TRACT NO. 1016, KNOWN AS GREEN ACRES,
 ACCORDING TO THE OFFICIAL PLAT THEREOF ON FILE IN THE OFFICE OF
 THE COUNTY CLERK OF KLAMATH COUNTY, OREGON.

THIS PROPERTY KNOWN FOR POSTAL PURPOSES AS: 5542 MASON LANE
 KLAMATH FALLS, OR 97601

which said described real property is not currently used for agricultural timber or grazing purposes, together with all and singular the tenements, hereditaments, and appurtenances and all other rights thereto 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 sums of TEN THOUSAND FOUR HUNDRED SEVENTY FIVE & 00/100 Dollars, with finance charge thereon,

according to the terms of a Home Improvement retail installment contract of even date herewith, payable to beneficiary and made by JAMES P. MIDDLEBROOKS AND GLORIA M. MIDDLEBROOKS and continuing on the same day each month with the final payment of principal and interest, if not sooner paid, to be due and payable (E) 04/20 2003. 156 payments of \$ 159.57 each beginning (E) 05/20 1990.

This Deed of Trust also secures any extension or renewal thereof and any advances made at the option of the beneficiary. The grantor covenants and agrees to and with the beneficiary and those claiming under him, that he is fully seized in fee simple of said described real property and has a valid, unencumbered title thereto except as follows:

KLAMATH 1ST FEDERAL SAVINGS & LOAN
 2943 SO. SIXTH
 KLAMATH FALLS, OR 97603

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

To protect the security of this trust deed, grantor agrees

- To protect, preserve and maintain said property in good condition and repair, nor to remove or demolish any building or improvement thereon; nor to commit or permit any waste of said property.
- 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, or covenants, conditions and restrictions affecting said property.
- 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 value of the buildings written in companies acceptable to the beneficiary with loss payable to the latter; all policies of insurance shall be delivered to the beneficiary as soon as issued, if the grantor shall fail for any reason to procure any such 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, the beneficiary may procure the same at grantor's expense. The amount collected under any fire or other insurance policy may be applied by beneficiary up on an indebtedness secured hereby and in such order as beneficiary may determine, or at option of beneficiary the entire amount so collected, or any part thereof, may be retained to grantor. Such application or release shall not cure or waive any default or notice of default hereunder or invalidate any act done pursuant to such notice.
- To keep said premises free from mechanics' liens and to pay all taxes, assessments and other charges that may be 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 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 may, at its option, make payment and/or such payments with interest as aforesaid, the property hereinbefore described, as well as the grantor, shall be bound to the same extent that they are bound for the payment of the obligation herein described, and all such payments shall be immediately due and payable without notice, and the non-payment thereof shall constitute a breach of this trust deed.

It is mutually agreed that:

- 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 require that all or any portion of the monies payable as compensation for such taking shall be applied to the indebtedness secured hereby; and grantor agrees, at its own expense, to take such actions and execute such instruments as shall be necessary in obtaining such compensation, promptly upon beneficiary's request.
- At any time and from time to time upon written request of beneficiary, payment of its fees and continuation of this deed and the contract for endorsement (in case of full reconveyance, 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 thereof; (d) reconvey, without warranty, all or any part of the property. The trustee 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.
- Upon any 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 adequacy of any security for the indebtedness hereby secured, enter upon in any commercially reasonable manner and take possession of said property or any part thereof, in its own name sue for or otherwise collect the rents, issues and profits, including those past due and unpaid, and apply the same in such order as beneficiary may determine.

9. 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.

10. Upon default by grantor in payment of any indebtedness secured hereby, or default on any prior lien or obligation secured by the property above described, the beneficiary may declare all sums secured hereby immediately due and payable. In such an event beneficiary at his election may proceed to foreclose this trust deed in equity as a trustee to foreclose this trust deed by advertisement and sale. In the latter event the beneficiary of the trustee shall execute and cause to be recorded his written notice of default and his election to sell the said described real property to satisfy the obligations secured hereby, whereupon 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 by applicable Oregon statutes.

11. After default at any time prior to five days before the date set by the trustee for the trustee's sale, the grantor or other person so privileged by applicable Oregon statutes may pay to the beneficiary or his successors in interest, respectively, the entire amount then due under the terms of the trust deed and the obligation secured thereby, other than such portion of the principal as would not then be due had no default occurred, and thereby cure the default, in which event all foreclosure proceedings shall be dismissed by the trustee.

12. Otherwise, the sale shall be held on the date and at the time and place designated in the notice of sale. The trustee may sell said property either in one parcel or in separate parcels and shall sell the parcel or parcels at auction to the highest bidder for cash, payable at the time of sale. Trustee shall deliver to the purchaser its deed in form as required by law conveying the property so sold, but without any covenant or warranty, express or implied. The results in the deed of any matters of fact shall be conclusive proof of the truthfulness thereof. Any person, excluding the trustee, but including the grantor and beneficiary, may purchase at the sale.

13. When trustee sells pursuant to the powers provided herein, trustee shall apply the proceeds of sale to payment (1) of the expense of sale which by authorization of law, may be assessed against the grantor, (2) the obligation secured by the trust deed, (3) to all persons having recorded liens subsequent to the interest of the trustee in the trust deed as their interests may appear in the order of their priority and (4) the surplus, if any, to the grantor or to his successor in interest entitled to such surplus.

14. For any reason permitted by law beneficiary may from time to time appoint a successor or successors to exercise the powers herein or to any successor 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 beneficiary, containing reference to this trust deed and its place or 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.

15. 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.

REQUEST FOR NOTICE OF DEFAULT AND FORECLOSURE UNDER SUPERIOR MORTGAGES OR DEED OF TRUST

Grantor and Beneficiary request the holder of any mortgage, deed of trust or other encumbrance with a lien which has priority over this Deed of Trust to give Notice to Assignee identified on reverse side, at the office of the registered agent of Assignee on file with the Oregon Corporation Commission, of any default under this superior mortgage and of any sale or other foreclosure action.

The grantor warrants that the proceeds of the loan represented by the above described contract and this trust deed are primarily for grantor's personal, family, household or agricultural purposes.

This deed applies to, inures to the benefit of and binds all parties hereto, their heirs, legatees, devisees, administrators, executors, 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.

STATE OF OREGON

County of Klamath

1990

James P. Middlebrooks
Gloria M. Middlebrooks
JAMES P. MIDDLEBROOKS
GLORIA M. MIDDLEBROOKS

Personally appeared the above named JAMES P. MIDDLEBROOKS & GLORIA M. MIDDLEBROOKS

and acknowledged the foregoing instrument to be THEIR voluntary act and deed.

Before me: [Signature]
(OFFICIAL SEAL) Notary Public for Oregon
My commission expires: 5/19/90

ASSIGNMENT

FOR VALUE RECEIVED, the undersigned does hereby grant, assign, and transfer unto SECURITY PACIFIC FINANCIAL SERVICES INC., a Delaware corporation, all of IT'S right, title, and interest in and to the within and foregoing Trust Deed, together with the obligation secured thereby, and all money due or to become due thereon, and all rights accrued under said Trust Deed and obligation.

Assignor: MARY L. BRANSON
By: MARY L. BRANSON ASST. SEC. CONTRACTOR

STATE OF OREGON

County of

1990

State of TEXAS
County of DALLAS

MAY 18, 1990

Personally appeared the above named

Personally appeared MARY L. BRANSON who is being duly sworn did say that she, ASST. SEC. of AMRE, INC. and that the seal affixed to the foregoing instrument is the corporate seal of said corporation and that said instrument was signed and sealed in behalf of said corporation by authority of its Board of directors; and HAS

and acknowledged the foregoing instrument to be voluntary act and deed.

said instrument to be its voluntary act and deed.
Before me: PAM CURTIS
(OFFICIAL SEAL) Notary Public for OREGON TEXAS
My commission expires: 2/7/93

TRUST DEED

Grantor
SECURITY PACIFIC FINANCIAL SERVICES INC.
Assignee of Beneficiary

STATE OF OREGON, ss.
County of Klamath

I certify that the within instrument was received for record on the 25th day of June, 1990, at 9:50'clock AM, and recorded in book M90 on page 12396. Record of Mortgages of said County.

Witness my hand and seal of County affixed.
Evelyn Biehn
County Clerk
By: R. R. [Signature] Deputy

Fee \$13.00
Return: K.C.T.C.

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... SECURITY PACIFIC FINANCIAL SERVICES INC. - Beneficiary
By: Authorized Agent

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