

TRUST DEED

23716

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:

pending to the official plat

Lot 26 Blk 6 Tract 1035 GATEWOOD according to the official plat on file with the County Clerk of Klamath County.

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 of the above described obligations, Grantor hereby grants, sells, conveys and warrants to Grantee the sum of FIVE THOUSAND FIVE HUNDRED AND NO/100 Dollars, with interest thereon according to the terms of a promissory note made by grantor, the final payment of principal and interest hereof, if

note of even date herewith, payable to beneficiary or order and made by grantor, the final payment of said note not sooner paid, to be due and payable 11/31, 1995.

The date of maturity of the debt secured by this instrument shall be the date when the principal sum or sums hereinafter provided becomes due and payable. In the event the within described property, or any part thereof, or any interest therein, shall at any time become 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.

In testimony whereof, Grantor agrees:

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; and not to permit any waste of said property.
2. To keep said property, and in good and workmanlike

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 such 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 in 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, and to provide and continuously maintain insurance on the building.

[illegible][illegible]

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

[illegible]

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 to receive the full and just compensation payable for the property taken, right, if it so elects, to receive that all or any portion of the amount payable as compensation for such taking, which are in excess of the amount necessarily paid or to pay all reasonable costs, expenses and attorney's fees, shall be paid to beneficiary and recovered by grantor in such proceedings, and the balance of the amount necessarily paid or to pay all reasonable costs and expenses and attorney's fees, shall be applied by it first upon any reasonable costs, necessarily paid or incurred by beneficiary in the trial and any appellate courts, and the balance applied upon the indebtedness in such proceedings, and grantor agrees, at its own expense, to take such actions secured and hereby agreed to, and grantor agrees, at its own expense, in obtaining such compensation, promptly upon beneficiary's request.

9. At any time and from time to time upon written request of the beneficiary, the trustee shall execute and deliver to the beneficiary, payment of its fees and costs of presentation of this deed and the note 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 on this deed or the lien or charge subordination or other agreement affecting this deed or any part of the property. The thereof; (d) reconvey, without warranty, all or any part of the property to the grantee in any reconveyance may be described as the person or persons legally entitled to the property, and the recitals therein of all matters or facts shall be conclusive proof of the truthfulness thereof. Trustee's fees for any of the services mentioned in this paragraph shall be not less than \$5.00.

10. Upon any default by grantor hereunder, beneficiary may at any time without notice, either in person or by agent or by a receiver to be appointed by a court, and without regard to the adequacy of any security, of said property, if the indebtedness has been secured, enter upon and take possession of said property, if the indebtedness has not been secured, to collect the rents, profits and income therefrom, and to apply the same to the payment of the principal and interest thereon, and to pay the costs of collection, including reasonable attorney's fees and expenses of operation and collection, and in such order as beneficiary's fees upon any indebtedness secured hereby, and in such order as beneficiary may determine.

11. Upon the payment and taking possession of said property, the grantor shall

11. The entering upon and taking possession of said property, the collection of such rents, issues and profits or the proceeds of life 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 remain bound pursuant to such notice.

12. Upon default by grantor in payment of any indebtedness secured hereby or in his performance of any agreement hereunder, the beneficiary may exercise with respect to such payment and/or performance, the following remedies: In such an event, the beneficiary may proceed to foreclose this trust deed by event the beneficiary at law or direct the trustee to foreclose this 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 shall execute and cause to be recorded his written notice of foreclosure, and his election to sell the said described real property to satisfy the debt obligation 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

[illegible][illegible][illegible]

16. Beneficiary may from time to time appoint a successor or successors to any trustee named herein or to any trustee named in the deed hereunder. Upon such appointment herein or appointed, the said trustee herein named or appointed shall have all the title, powers and authority of the trustee herein named or appointed. In the event of the death, disability and substitution shall be made by the said beneficiary by instrument executed by beneficiary, the said trustee herein named or appointed, the said trustee herein named or appointed, mortgage records of the county of [] State of [] in which the said 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 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 except as those appear of record as of the date hereof.

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

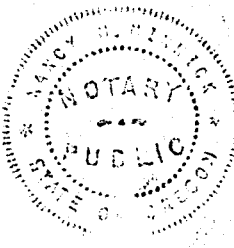
The grantor warrants that the proceeds of the loan represented by the above described note and this trust deed are:
(a)* primarily for grantor's personal, family or household purposes (see Important Notice below).
(b) ~~for an organization; or (even if grantor is a natural person) are for business or 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.

Mark S. McDaniel
Mark Steven McDaniel
Susan Kathleen McDaniel
Susan Kathleen McDaniel



STATE OF OREGON, County of Klamath) ss.
This instrument was acknowledged before me on 12/12/90, 19____,
by Mark Steven McDaniel and Susan Kathleen McDaniel
This instrument was acknowledged before me on _____, 19____,
by _____
as _____
of _____

Nancy M. McDaniel
Notary Public for Oregon
My commission expires 6/8/92

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

Grantor

Beneficiary
AFTER RECORDING RETURN TO

SPACE RESERVED
FOR
RECORDER'S USE

STATE OF OREGON, } ss.
County of Klamath

I certify that the within instrument was received for record on the 14th day of Dec., 19 90, at 10:01 o'clock A.M., and recorded in book/reel/volume No. M90 on page 247.11 or as fee/file/instrument/microfilm/reception No 237.16, Record of Mortgages of said County.

Witness my hand and seal of County affixed.

Evelyn Biehn, County Clerk
NAME TITLE
By Adrian M. Miller, Deputy

MAD #5912

Fee \$13.00