

TRUST DEED

Vol. m91 Page 3847

as Grantor, ASPEN TITLE & ESCROW, INC. as Trustee, and
H. K. PICKRELL AND MARGARET A. PICKRELL, HUSBAND AND WIFE, WITH
FULL RIGHTS OF SURVIVORSHIP
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:
The North 139.6 feet of Lot 11, Block 3, SECOND ADDITION TO ALTAMONT ACRES, in the County of Klamath, State of Oregon.
EXCEPTING THEREFROM 5 feet off the East Boundary for the widening of Bisbee Street, as disclosed by instrument recorded July 1, 1965 in Book 362 at page 563, Deed Records.

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.

now or hereafter appertaining, and the terms, issues and proceeds thereof shall remain to the said grantor and his heirs forever, except as herein provided 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 EIGHTY FIVE THOUSAND AND NO/100 (\$85,000.00) 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 at maturity of note _____, 19_____. Date 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, 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.

To protect the security of this trust deed, grantor agrees:

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 destroyed thereon, 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 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.

6. 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 said policy may from time to time require, in an amount not less than the insurable value of the said buildings, written in the policies acceptable to the beneficiary, with loss payable to the latter; all policies of insurance shall be delivered to the beneficiary not later than the date if the grantor shall fail for any reason to deliver said policies to the beneficiary at least fifteen days prior to the expiration of the term of insurance now or hereafter placed on said buildings, the beneficiary may procure the same at grantor's expense. The amount of insurance collected under any fire or other insurance policy may be applied to the payment of any indebtedness secured hereby or to the satisfaction of any beneficiary claim upon any indebtedness secured hereby or to the satisfaction of any beneficiary claim, may determine, or at option be released to grantor. Such application or release shall not constitute a release or waiver of any claim of the beneficiary and shall not be done pursuant to such notice.

act done or warranted pursuant to such notice.

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 to make payment of such taxes, assessments, insurance premiums, and 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 thereof, and the amount so paid, with interest at the rate set forth in the note secured by the subject mortgage, shall be deemed to have been paid by grantor together with the obligations described in paragraphs 6 and 7 of this deed, and the amount so paid shall be deemed to have been secured by 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 hereunder or of any of the covenants hereof and for 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. If the nonpayment thereof shall, at the option of the beneficiary, 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 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.

7. To appear in and defend any action or proceeding purporting to affect the security rights or powers of beneficiary or trustee; and in any suit, appeal or other proceeding in which the beneficiary or trustee may appear, including proceedings for foreclosure of this deed, to pay all costs and expenses of attorney's fees; the including evidence of title and documents mentioned in this paragraph 7 in all cases shall be produced by the grantor or his heirs, assigns and legal representatives as directed by the trial court and in the event of an appeal from any judgment rendered by the trial court, grantor further agrees to provide such sum as the appellate court may deem 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 thereof; (d) recover, 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 services 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 or by agent or by a receiver to be appointed by the court, take any action with regard to the adequacy of any security for the indebtedness hereby secured, enter upon and take possession of said property or any part thereof, in its own name sue or otherwise collect the same, issues and profits, including those past due and to become, and take any action, suits and proceedings for the recovery of the same, and the costs and expenses of operation and collection, including reasonable attorney's fees and expenses, and the indebtedness secured hereby, 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.

[illegible]

3. After the trustee has commenced foreclosure by advertisement and the sale, and at any time prior to 5 days before the date the trustee conducts the sale, the grantor or any other person obligated by ORS 86.735, may cure the default or defaults. If the cure consists of a failure to pay, when due, the sums secured by the trust deed, the default may be cured by paying the sums defaulted on at the time of the cure other than such portion as would have been due at the time of the cure. If the cure is a payment of principal, then the cure must be made on or before the date the cure is made. If not then be due had no default occurred. Any other default that is capable of being cured may be cured by tendering the payment required under the obligation or trust deed. In any case, in addition to curing the default or defaults, the person curing the default shall pay to 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.

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 adjourned as provided by law. The trustee may sell said property either in one parcel or in separate parcels and shall sell the parcel or parcels to the highest bidder for cash. The trustee shall execute a deed of conveyance to the highest bidder in form as required by law conveying said property so sold, but without any covenant or warranty, express or implied. The recitals in the deed of any matters of fact shall be conclusive as to the truthfulness of the same, except as to the trustee, but including the trustee or beneficiary, may purchase at the sale.

of the truthfulness of the foregoing statements, the grantor and beneficiary may purchase at the sale. 5. When trustee sells pursuant to the powers provided herein, trustee shall apply the proceeds of sale to payment of (1) the expenses of sale, including the compensation of the trustee and a reasonable fee charged by trustee's attorney, (2) to the obligation secured by the mortgage, and (3) to all persons having recorded liens subsisting in the interest of the trustee in the trust deed at their time of recording 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.

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 the death of the trustee, and without conveyance to the successor trustee, the latter shall be vested with all title, powers and duties of the trustee, the latter shall be appointed by the instrument of appointment upon any trustee herein named or appointed, and the instrument of appointment and substitution shall be made of record in 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.

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, beneficial 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.

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

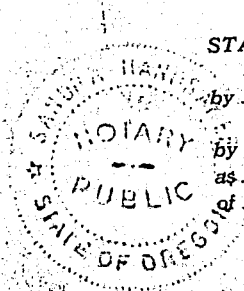
The grantor warrants that the proceeds of the loan represented by the above described note and this trust deed are:
(a)* primarily for grantor's personal, family or household purposes (see Important Notice below),
(b) for an organization, or (even if grantor is a natural person) are for business or commercial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

Anthony M. Tanner
ANTHONY M. TANNER



STATE OF OREGON, County of Klamath
This instrument was acknowledged before me on February 28, 1991,
by ANTHONY M. TANNER
This instrument was acknowledged before me on _____, 19____.

Sandra Handsaker
Notary Public for Oregon
My commission expires 7-23-93

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

Harold K. Pickrell
Margaret A. Pickrell
P.O. Box 1267
Klamath Falls, OR 97601

SPACE RESERVED
FOR
RECORDER'S USE

Fee \$13.00

STATE OF OREGON,
County of Klamath } ss.

I certify that the within instrument was received for record on the 4th day of March, 1991, at 10:37 o'clock AM, and recorded in book/reel/volume No. M91 on page 3847 or as fee/file/instrument/microfilm/reception No. 26494 Record of Mortgages of said County.

Witness my hand and seal of County affixed.

Evelyn Biehn county Clerk
NAME TITLE

By *Pauline Muelendorp* Deputy