

Vol. m9/ Page 20812

WITNESSETH:

SEE EXHIBIT A WHICH IS MADE A PART HEREOF BY THIS REFERENCE

FOR THE PURPOSE OF SECURING PERFORMANCE of each agreement of transfer herein contained and payment of the sum of ONE THOUSAND ONE HUNDRED FIFTEEN AND EIGHTY TWO / 100ths \$11,158.82.

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:

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.

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 causes as the beneficiary may from time to time require, in an amount not less than ~~full insurable value~~ , written in companies acceptable to the beneficiary, with loss payable to the latter, all policies of insurance shall be delivered to the beneficiary and the beneficiary or the grantor shall fail or may be deemed to have abandoned 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 the beneficiary or the grantor as the beneficiary may determine, and the beneficiary may determine, or at the discretion of the beneficiary, the entire amount so collected, or any part thereof, may be released 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.

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 prompt payment of any taxes, assessments, insurance premiums, and other charges payable by grantor, either by direct payment, beneficiary may, at its option, make payment thereof, making 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 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 the note, and the amount so paid, with interest as aforesaid, of the obligations of the trust deed, without waiver of any rights arising from the covenants of the trust deed, shall be added to and become a part of the debt secured by the note, and the amount so paid, with interest as aforesaid, of the obligations of the trust deed, without waiver of any rights arising from the covenants hereof and for such payments, with interest as aforesaid, the property herebefore 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 with interest, and 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.

tees actually incurred. To appear in and defend any action or proceeding purporting to affect the substantive 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 a mortgage, the costs and expenses, including the reasonable attorney's fees and the beneficiary's or trustee's attorney's fees; the amount of attorney's fees mentioned in this paragraph 7 in all cases shall be fixed by the trial court and in the event of an appeal from a judgment or decree of the trial court shall be fixed by the appellate court, such sum as the appellate court shall deem reasonable as the beneficiary's or trustee's attorney's fees on such appeal.

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 require that all or any portion of the monies payable as compensation for such taking, which are in excess of the amount required to pay all reasonable costs, expenses and attorney's fees, necessarily paid or incurred by grantor in such proceedings, shall be paid to beneficiary and not to the estate of said decedent. Upon any reasonable costs and expenses and attorney's fees, both in the trial and appellate courts, necessarily paid or incurred by beneficiary in such proceedings, and the balance applied upon the indebtedness secured hereby; and grantor agrees that said costs, expenses, and attorney's fees and execute such instruments as shall be necessary in obtaining such compensation promptly upon beneficiary's request.

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 deliver 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 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, by agent or by power of attorney, be appointed by court, or by agreement of the parties, to take possession of any security for the debt hereby secured, enter upon and take possession of said property or any part thereof, 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 the debt hereby secured, and to the payment of all reasonable attorney's fees upon 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.

12. Upon default by grantor in payment of any indebtedness secured hereby or in his performance of any agreement hereunder, and being of the essence with respect to such payment and performance, the beneficiary may declare all sums due to be immediately due and payable. In such an event the beneficiary at his election may proceed to foreclose this trust deed in equity as a mortgage or direct the trustee to foreclose this trust deed by advertisement and sale, or may direct the trustee to pursue any other legal 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 and his election to sell the said described real property to satisfy the obligation secured hereby shall be duly recorded in the public records of the county and his election to sell the said described real property to satisfy the obligation secured hereby whereupon the trustee shall fix the time and place for the sale thereof as then required by law and shall proceed to foreclose this trust deed by advertisement and sale. RES 86-735 to 86-795.

13. Alter the trustee has commenced foreclosure by advertisement and in the manner provided in ORS 86.735 to 86.795.

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 postponed as provided by law. The trustee may sell said property either in one parcel or in separate parcels and shall sell the part of the property under auction to the highest bidder for cash. The trustee shall execute the deed conveying the property so sold, but without any covenant or warranty, express or implied. The recitals in the deed of any married woman shall be true and correct. The grantor and beneficiary, may purchase at 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, including the compensation of the trustee and of the real estate broker by trustee's attorney, (2) to the obligation secured by the trust deed, (3) to all persons having recorded liens superior 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.

16. Beneficiary may from time to time appoint a successor or successors to any trustee named herein or 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 the beneficiary in which the property to be conveyed to the county or counties in which the property is situated, shall be conclusive proof of proper appointment of such 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 676.505 to 676.565.

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 Trust Deed recorded on November 18, 1986, in Volume M86, page 21027, Microfilm Records of Klamath County, Oregon, in favor of Klamath First Federal Savings & Loan Association, as Beneficiary and that he will warrant and forever defend the same against all persons whomsoever.

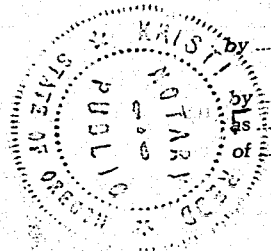
The grantor warrants that the proceeds of the loan represented by the above described note and this trust deed are:
(a) * primarily for grantor's personal, family or household purposes (see Important Notice below);
(b) for an organization, society, club, or other entity which is not a natural person; or (c) for a commercial purpose.

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.

Patrick P. Warren
PATRICK P. WARREN
Sherry L. Warren
SHERRY L. WARREN



STATE OF OREGON, County of Klamath ss. October 3, 1991,
This instrument was acknowledged before me on
PATRICK P. WARREN and SHERRY L. WARREN, 1991,
This instrument was acknowledged before me on _____, 19____,

Kristi L. Reed
Notary Public for Oregon
My commission expires 11/16/91

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, PUBL. CO., PORTLAND, ORE. 97208

PATRICK P. WARREN and SHERRY L. WARREN
4020 HILLYARD
KLAMATH FALLS, OR
Grantor

MARY MARGARET CARON
2903 E. 25th Avenue
Spokane, WA 99223
Beneficiary

AFTER RECORDING RETURN TO:
MOUNTAIN TITLE COMPANY
OF KLAMATH COUNTY

SPACE RESERVED
FOR
RECORDER'S USE

STATE OF OREGON, } ss.
County of _____
I certify that the within instrument
was received for record on the _____ day
of _____, 19____,
at _____ o'clock _____ M., and recorded
in book/reel/volume No. _____ on
page _____ or as fee/file/instru-
ment/microfilm/reception No. _____
Record of Mortgages of said County.
Witness my hand and seal of
County affixed.

By _____ TITLE
Deputy

20814

MTC NO: 26356-KR

EXHIBIT A
LEGAL DESCRIPTION

A tract of land situate in the NE 1/4 of NE 1/4 of Section 10, Township 39 South, Range 9 East of the Willamette Meridian, Klamath County, Oregon, more particularly described as follows:

Beginning at a point which lies South 89 degrees 40' West a distance of 270 feet and North 1 degrees 12' West a distance of 1298.6 feet from an iron pin in the center of Summers Lane that marks the Southeast corner of the NE 1/4 NE 1/4 of Section 10, Township 39 South, Range 9 East of the Willamette Meridian; and from said point of beginning running thence South 1 degree 12' East, 113 feet; thence West 109 feet; thence North 113 feet to a point that bears South 89 degrees 40' West from the point of beginning; thence North 89 degrees 40' East 109 feet more or less to the true point of beginning, with bearings based on Minor Partition No. 82-61.

TOGETHER WITH a 1981 WALDE 2U Mobile Home, Oregon License #X170052, Serial #11810540 which is situate on the real property described above.

STATE OF OREGON: COUNTY OF KLAMATH: ss.

Filed for record at request of Mountain Title Co. the 7th day
of Oct. A.D., 19 91 at 3:12 o'clock P.M., and duly recorded in Vol. M91
of Mortgages on Page 20812
Evelyn Biehn . County Clerk
By Pauline Mulenbarger

FEE \$18.00