KLAMATH PACIFIC CORPORATION, AN OREGON CORPORATION

as Grantor, ASPEN TITLE & ESCROW, INC. , as GLEN F LEACH AND RUBY LEACH, 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 KLAMATH County, Oregon, described as:
The SW 1/4 NW 1/4 SE 1/4 of Section 23, Township 34 South, Range

6 East of the Willamette Meridian, in the County of Klamath, state of Oregon.

3406-2300 MAP CODE 8

together with all and singular the tenements, hereditaments and appurtenances and all other rights thereunto belonging or in anywise now or herealter appertaining, and the rents, issues and profits thereof and all fixtures now or herealter attached to or used in connection with said real artests.

orn said real estate.
FOR THE PURPOSE OF SECURING PERFORMANCE of each agreement of grantor herein contained and payment of the

sum of ELEVEN THOUSAND ONE HUNDRED TWENTY AND NO/100---,

note of even date herewith, payable to beneficiary or order and made by grantor, the final payment of principal and interest hereof, if

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:

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 terefor.

3. To comply with all laws, ordinances: the beneficiary so requests, to join in executing such linancing statements unstant to the Uniform Commercial Code as the beneficiary may require and to pay for tiling same in the proper public office or offices; as well after the cost of all lien searches made by liling officers or searching agencies as may be deemed desirable by the beneficiary.

cial Code as the beneliciary-may require and to pay for liling same in the proper public office or offices, as well as the cost of all lien searches made by illing officers or searching agencies as may be deemed desirable by the beneliciary. To provide and continuously maintain insurance on the buildings now or hereafter erected on the said premises against loss or damage by lire and such other hazards as the beneliciary may from time to time require, in an amoun not less than \$\frac{3}{2}\$.

To provide and continuously maintain insurance on the buildings and such other hazards as the beneliciary, with loss payable to the companies acceptable to the beneliciary, with loss payable to the companies acceptable to the beneliciary, with loss payable to the vitter, all companies acceptable to the beneliciary, with loss payable to the companies acceptable to the beneliciary, with loss payable to the companies acceptable to the beneliciary, with loss payable to the companies acceptable to the beneliciary, with loss payable to the companies acceptable to the beneliciary with loss payable to the companies acceptable to the companies acceptable to the companies and to pay all the payable to the companies and to pay and the payable to the companies acceptable to the companies and the companies acceptable to any part of such tasses, assessments and other charges that may be levied or assessed upon or against said property before any part of such tasses, assessments and other charges to the companie

It is mutually agreed that:

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8. In the event that any portion or all of said property shall be taken under the right of eminent domain or condemnation, beneticiary 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 incurred by grantor in such proceedings, shall be paid to beneficiary and possible to the proceedings and expenses and attorney's less, possible to the such actions to the strain of the state of the such actions 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.

9. At any time and from time to time deed and the note for endorsement (in case of full reconveyances, for cancellation), without allecting the liability of any person for the payment of the indebtedness, trustee may the liability of any person for the payment of said property; (b) join in

granting any easement or creating any restriction thereon; (c) join in any subordination or other agreement allecting 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 frantee in any reconveyance may be described as the "person or persons legally entitled thereto." and the recitals therein of any matters or lacts shall be conclusive proof of the truthfulness thereof. Trustee's lees 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 a receiver to be aptime 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 secure, enter upon and take possession of said property or my part thereof; in its own name sue or otherwise collect the rents, issues and expenses of operation and collection, including reasonable attorney's fees upon any 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 tents, issues and profits, or the proceeds of tire and other insurance policies or compensation or release thereof as aloresaid, 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 to the proceeds of the programme of the progra

waive any default or notice of default hereunder or invalidate any act done pursuant to such notice.

12. Upon default by grantur in payment of any indebtedness secured hereby or in his performance of any agreement hereunder, time being of the essence with respect to such payment any or performance, the beneficiary may declare all sums secured hereby immalately due and payable. In such an declare all sums secured hereby immalately due and payable. In such an event the beneficiary at his election may proceed to foreclose this trust deed event the beneficiary at his election may proceed to foreclose this trust deed advertisement and sale, or may direct the trustee to pursue any other right or advertisement and sale, or may direct the trustee to pursue any other right or the beneficiary elects to foreclose by advertisement and sale, the beneficiary of the beneficiary elects to foreclose by advertisement and sale, the beneficiary of the trustee shall escente and couse to be recorded his written notice of default and his election to self the said described real property to satisfy the obligation secured hereby whereupon the trustee shall lix the time and place of sale, divention to the sale of the sale of the sale and proceed to foreclose this trust deed notice thereof as their results as commenced foreclosure by advertisement and 13. After the trustee has commenced foreclosure by advertisement and sale, the grantor or any other person so privileged by ORS 86.753, may cure sale, the grantor or any other person so privileged by ORS 86.753, may cure sale, the grantor or any other person so privileged by ORS 86.753, may cure sale, the grantor or any other person so privileged by ORS 86.753, may cure sale, the grantor or any other person so privileged by ORS 86.753, may cure as a subject to the sale and the sale and the sale and expenses conducts the obligation or because the sale and the cure other than such portion as would entire amount due at the time of the cure other than such portion as would entire amount due at

together with trustee's and attorney's lees 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 lee postponed as provided by law. The trustee may sell said property either in one parcel or in separate parcels and shall sell the parel or parcels are suction 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 implicitly the sale. The recitals in the deed of any matters of lact shall be conclusive proof the truthfulness thereof. Any person, excluding the trustee, but including the frantor and beneliciary, may purchase at the sale. Such as the sale of the proceeds of sale to payment of (1) the expenses of sale, including the compensation of the trustee and a reasonable charge by trustee saltoney. (2) to the obligation secured by the trust deed (3) to all persons attorney. (2) to the obligation secured by the trust deed (3) to all persons attorney. (2) to the obligation secured by the trust deed (3) to all persons attorney. (3) it any, to the grantor or to his successor in interest entitled to such surplus, it 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 successor.

surplus, il any, to the grantor or to his successor in interest entitled to such surplus.

16. Beneliciary may from time to time appoint a successor or successor so any trustee named herein or to any successor trustee appointed herein or to any successor trustee appointed herein and 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, which, when recorded in the mortgage records of the country 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 confirmed to a succession trustee in the succession 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 Oregan 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 stille 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 696.535 to 696.585.