

as Grantor, MOUNTAIN TITLE COMPANY OF KLAMATH COUNTY
KERRY S. PENN

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 10 in Block 3 of TRACT 1155-TWIN RIVER VIEW, according to the official plat thereof on file in the office of the County Clerk of Klamath County, Oregon.

This is an all inclusive Trust Deed and is being recorded second and junior to a First Trust Deed wherein Donald Lefler and Phyllis Lefler are the beneficiaries.

SEE EXHIBIT "A" ATTACHED HERETO AND BY THIS REFERENCE MADE A PART HEREOF.

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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.

IN WITNESS WHEREOF, I have hereunto set my hand and seal of office this 1st day of May, 1964.

OF SECURING PERFORMANCE of each agreement of grantor herein contained and payment of the

FOR THE PURPOSE OF SECURING PERFORMANCE OF each agreement made by the parties hereto, the sum of ***TWENTY THOUSAND EIGHT HUNDRED AND NO / 100ths*** Dollars, with interest thereon according to the terms of a promissory note made by the parties hereto, principal and interest hereof, if

sum of ***TWENTY THOUSAND EIGHT HUNDRED AND NO. / 100.00 Dollars, with interest thereon according to the terms of a promissory note, hereinafter made, by the undersigned, for the use and behoof of the beneficiary or order and made by grantor, the final payment of principal and interest hereof, if

note of even date herewith, payable to beneficiary or order and time by grantor, _____, 19____
not sooner paid, to be due and payable _____, 19____, on which the final installment of said note
the principal of the debt secured by this instrument is the date, stated above, on which the final installment of said note
is paid, and no interest thereon shall be due until such date as the principal of the debt secured by this instrument is the date, stated above, on which the final installment of said note
is paid, and no interest thereon shall be due until such date as the principal of the debt secured by this instrument is the 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, or if the debt 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; and permit 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, or when due all costs incurred therefor.

3. To comply with all laws, ordinances, regulations, covenants, conditions and restrictions affecting said building or premises.

4. To execute such financial 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 searching made by title officers or searching agencies as may be deemed desirable by the beneficiary.

5. To cause continuously to maintain insurance on the building

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 hazards as the beneficiary may from time to time require, in and to the full insurable value of the said buildings, written in an amount not less than the full insurable value of the said buildings, at companies acceptable to the beneficiary, with the beneficiary as insured, policies of insurance shall be delivered to the beneficiary as soon as insured policies of insurance shall be delivered to procure any such insurance and to if the grantor shall fail for any reason to procure any such insurance or 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 beneficiary may procure any fire or other insurance policy may be applied for by the beneficiary under any indebtedness secured hereby and in such amount as the beneficiary may determine, or at option of 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.

not cure or waive any default or notice of default under this trust deed pursuant to such notices.

5. To keep said principal sum 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 pay such receipts therefor; should the grantor fail to make payment of any taxes, assessments, insurance premiums, liens or other charges payable by grantor, either directly or indirectly, to the beneficiary with funds with which to by direct payment or by check, the 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 paragraph 6 hereof shall be added to and become a part of the debt secured by this trust deed, and shall be added to and become a part of the principal sum of the trust deed, without waiver of any rights of the beneficiary from breach of any of the covenants hereof and for such payments, with interest as aforesaid, the provisions hereinbefore described, and as if the grantor, shall be bound to the same extent that they are bound for the payment of the obligation herein secured, and all such payments shall be immediately due and payable notwithstanding any time specified for their payment, and the beneficiary, upon notice, need not sue for nonpayment thereof shall, at the option of the beneficiary, render all sums secured by this trust deed due immediately due and payable and constitute a breach of this trust deed.

6. The beneficiaries of this trust including the cost

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. To pay, defend any action or proceeding purporting to annul, set aside or rescind any suit or action brought by any person claiming to be a beneficiary of this trust.

in connection with or in enforcement of its actual duties. 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, action or proceeding in which the beneficiary or trustee may appear, including any suit for the foreclosure of the beneficiary's or trustee's attorney's fees; and excluding evidence of attorney's fees mentioned in this paragraph 7 in all cases shall be amount of attorney's fees mentioned in the event of an appeal from such sum as the decree of the trial court, grantor further agrees to pay, such sum as the appellate court shall adjudge reasonable as the beneficiary's or trustee's attorney's fees on such appeal.

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, beneficiary shall have the right, if it so elects, to make any and all claims for compensation or damages, or any portion of the monies payable as compensation or damages, which are in excess of the amount required as compensation for reasonable costs, expenses and attorney's fees, and or incurred by grantor in such proceedings, to be paid to beneficiary and applied by it first upon the costs and expenses and attorney's fees, and then upon the balance of the monies payable, or the undebtedness of beneficiary in such proceedings, and the balance applied to take such actions secured hereby; and grantor agrees, and shall be necessary in obtaining such compensation, to execute promptly upon beneficiary's request, a written request of beneficiary.

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;

granting any easement or creating any restriction thereon; (c) join in any subordination or other agreement affecting this deed or the lien or charge thereon; (d) convey without warranty, all or any part of the property. The grant, in any reconveyance may be described as the "matters 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.

hereunder, beneficiary may at any

10. Upon any default by grantor hereunder, the Recipient may at any time without notice, either in person, or by a duly authorized agent, enter upon the land hereby secured, enter upon and take possession of the land and all the contents thereof, and remove the same, together with the rents, issues and profits, including those past due and unpaid, and apply the same, after payment of the costs and expenses of collection, including reasonable attorney's fees and expenses of operation and maintenance, to the satisfaction of the Recipient, to the payment of the indebtedness secured hereby, and in such order as the Recipient 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][illegible]

14. Otherwise, the sale shall be held on the date and at the time a 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 in one or in separate parcels and shall sell the same at the time of sale. Trustee shall deliver to the purchaser in the form as required by law conveyance of the property with or without any covenant or warranty, express or implied, and the recitals in the deed of any matters of fact shall be conclusive proof of the truthfulness thereof. Any person, excluding the trustee, but including the

[illegible]

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 such appointment, the trustee so appointed shall have all the powers and duties conferred upon the trustee herein named or appointed hereunder. Each such appointment, upon any trustee herein named or appointed hereunder, shall be made by beneficiary in a written instrument duly executed by the beneficiary in the county or counties in which the property is situated, which, when recorded in the mortgage records of the county or counties in which the property is situated, shall be conclusive proof of proper appointment.

17. Trustee accepts this trust when this deed, duly executed and acknowledged is made a public record as provided by law. Trustee is obligated to notify any party hereto of pending sale under any other deed, 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.