

TRUST DEED

Volm92 Page 4264

as Grantor, Mountain Title Company of Klamath County, as Trustee, and
Gene Rector and Darl A. Rector, or the Survivor thereof

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:

Lot 12 in Block 3 of FIRST ADDITION TO TONATEE HOMES, according to the official plat thereof on file in the office of the County Clerk of Klamath County, Oregon.

IN THE EVENT OF A DISCOUNTED SALE, THE GRANTOR, GIOVANNI MANGIONE AND LINDA MANGIONE HAS THE FIRST RIGHT OF REFUSAL.

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

sum of Twenty Five Thousand Dollars and no/100 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

note of even date herewith, payable to per terms of note, 19 ,
not sooner paid, to be due and payable 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, on which the final installment is sold, agreed to be
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.

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 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 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 pay for such financing statements pursuant to the Uniform Commercial Code; if the beneficiary may require and to pay for all filing same in the local County of the beneficiary may require and to pay for all lien searches made proper public office or offices, as well as the cost of all lien searches by the filing officers or searching agencies as may be deemed desirable by the beneficiary;

[illegible][illegible]

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 incurred.

in connection with or in enforcing this deed, and the fees actually incurred in and defend any action or proceeding purporting to affect the security rights or powers of beneficiary or trustee, and in any suit or proceeding in which the beneficiary or trustee may appear, including but not limited to the costs of the appeal, to pay all costs and expenses, including attorney's fees, in any suit for the foreclosure of the beneficiary's or trustee's lien, including evidence of title and this deed; in all cases the appellant shall be liable for the amount of attorney's fees mentioned in this paragraph 7 in all cases, and the amount of attorney's fees in the event of an appeal from any judgment or 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:

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 expenses and attorney's fees necessarily paid or incurred by it first upon any reasonable costs and expenses paid or incurred by beneficiary 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 that instruments as shall be necessary in obtaining such costs and execute such judgments as shall be necessary, upon written request of beneficiary, 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 this 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 thereon; (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 the conclusive proof of the truthfulness thereof. Trustee's fees for any of the foregoing shall not be 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 appointed by a court, and without 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 rents, issues and profits, including those past due and unpaid, and apply the same, less costs 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 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, time being of the essence, the beneficiary may elect to require the grantor to pay the indebtedness or to foreclose this trust deed by selling the sums secured hereby immediately due and payable. In such an event the beneficiary at his election may direct the trustee to foreclose this trust deed by selling the sums secured hereby or may direct the trustee to pursue any other legal remedy, either at law or in equity, which the beneficiary may deem proper. In the event the beneficiary elects to foreclose by advertisement, he shall record his written notice of default and election to foreclose by advertisement in the public records of the county in which the trustee shall execute and record a deed conveying the property to satisfy the obligation secured hereby. If the beneficiary elects to foreclose by advertisement, he shall give notice of his election to sell and to advertise the property to be sold in the manner provided herein, and thereupon the trustee shall fix the time and place at which the property shall be sold, and the trustee shall execute and record a deed conveying the property to satisfy the obligation secured hereby, as then required by law and procedure in effect on the date of the recording of this deed.

13. After the prior to 5 days before the date the trust is to be sold, the trustee shall, at the option of the beneficiary, cure the default or defaults. If the default or defaults may be cured by paying the sums secured by the trust deed at the time of the cure other than such portion as is applicable to the cure of the default or defaults, the beneficiary shall pay the entire amount due at the time of the cure. If no default occurred, any other default required under the trust deed may be cured by tendering the sum of the amount due in addition to curing the default or defaults, the person effecting the cure shall pay to the beneficiary all sums due under the trust deed in addition to the obligation or trust deed. In any event, the person effecting the cure shall pay to the beneficiary all sums due under the trust deed, including the sums due in enforcing the obligation of the trust deed, and expenses actually incurred by the trustee in enforcing the obligation of the trust deed, and the sums due to the trustee and attorney's fees not exceeding the amounts provided for in the trust deed. The sale shall be held on the date and at the time and place specified in the trust deed.

14. Otherwise, the sale shall be held on the date and at the time and by law. The trustee may sell said property either in one or more separate parcels and shall sell the parcel or parcels to the highest bidder for cash, payment at once, and without any lien or claim required by law conveying and shall deliver to the purchaser a good and lawful receipt therefor and without any covenant or warranty, express or implied, and without any liability on the part of the trustee, but including the property and real estate in the deed of any matters of fact shall be the responsibility of the purchaser and the truthfulness thereof. Any person, firm or corporation who bids at the sale.

15. When the trustee sells pursuant to the powers provided herein, trustee shall apply the proceeds of sale to payment of (1) the expenses of sale, (2) the compensation of the trustee and a reasonable charge by trustee's counsel, (3) to the obligation secured by the trust deed, (4) to all persons having recorded liens subsequent to the interest of the trustee in the trust property, (5) to the interest of the grantor in the trust property and (6) to the interest of the grantor or to his successor in interest entitled to such surplus, if any, to the grantor or to his successor in interest entitled to such surplus.

15. Beneficiary may from time to time appoint a successor or successors to any trustee named herein, and to any successor trustee appointed hereunder. Upon such appointment, the trustee so appointed shall have all the powers and duties conferred upon any trustee named or appointed hereunder. Each such appointment upon any trustee named or appointed hereunder shall be made by written instrument which shall be signed by the beneficiary or beneficiaries named or appointed hereunder, 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 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 none.

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); or
(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 pledgees, 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.

Giovanni Mangione

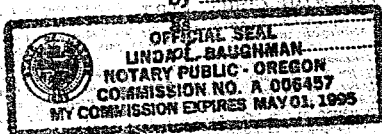
Linda Mangione

STATE OF OREGON, County of Klamath ss. March 2, 1992.

This instrument was acknowledged before me on March 2, 1992, by Giovanni Mangione and Linda Mangione

This instrument was acknowledged before me on _____, 19____,

by _____



Linda A. Baughman
Notary Public for Oregon
My commission expires 5-1-95

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. 681)
STEVENS-NESS LAW-PUB. CO., PORTLAND, ORE.

Giovanni Mangione and Linda Mangione

Grantor

Gene and Darl. A. Rector

Beneficiary

AFTER RECORDING RETURN TO
Gene Rector
Darl A. Rector
8212 Teare Lane
Bonanza, OR 97623

SPACE RESERVED

FOR

RECORDER'S USE

Fee \$15.00

STATE OF OREGON, Klamath } ss.

I certify that the within instrument was received for record on the 2nd day of March, 1992 at 3:35 o'clock P.M., and recorded in book/rul/volume No. M92 on page 4264 or as fee/file/instrument/microfilm/reception No. 41669, Record of Mortgages of said County.

Witness my hand and seal of County affixed.

Evelyn Biehn, County Clerk

NAME

TITLE

By Debra M. Mueller Deputy