

K-44036
TRUST DEED

Vol 1 m 9 2 Page 7513

WITNESSETH:

TOGETHER WITH a non-exclusive perpetual easement for ingress and egress further described in Volume M76 page 9837, Klamath County Microfilm Records.

FOR THE PURPOSE OF SECURING PERFORMANCE of each agreement, the sum of Ten Thousand Eight Hundred Ninety Six and 30/100 Dollars, with interest

note of even date herewith, payable to beneficiary or order and interest thereon from _____, 1997,
not sooner paid, to be due and payable April 15, _____, 19____, on which the final installment of said note
and maturity of the debt secured by this instrument is the date, stated above, on which the final installment of said note
is due, and no part thereof, or any interest therein is sold, agreed to be
sold, or otherwise disposed of by the beneficiary.

note of even date herewith, payable to beneficiary or order and made on or before April 15, 1997, on which the final installment of said note not sooner paid, to be due and payable. April 15, 1997, stated above, on which the final installment of said note is due, the date of maturity of the debt secured by this instrument is the date, stated above, on which the final installment of said note is due, agreed to be paid by the grantor without first having obtained the written consent or approval of the beneficiary. In the event the within described property, or any part thereof, or any interest therein is sold, conveyed, assigned or alienated by the grantor without first having obtained the written consent or approval of the beneficiary, the maturity of the debt secured by this instrument, irrespective of the maturity dates expressed therein, or otherwise, shall become immediately due and payable. In the event the within described property, or any part thereof, or any interest therein is sold, conveyed, assigned or alienated by the grantor without first having obtained the written consent or approval of the beneficiary, the maturity of the debt secured by this instrument, irrespective of the maturity dates expressed therein, or otherwise, 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 obtain and pay for such financing statements pursuant to the United States Commercial Code as the beneficiary may require and to pay the same in the same manner as 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.

[illegible][illegible]

7. To appear in and defend any action or proceeding purporting to affect the action or rights or powers of beneficiary or trustee, in any suit or action or proceeding in which the beneficiary or trustee may appear, including any suit for the foreclosure of a mortgage, to pay all costs and expenses, including evidence of the beneficiary's or trustee's attorney's fees, shall be amount of beneficiary's fees mentioned in this paragraph in any judgment or decree of the trial court, and the beneficiary agrees to pay 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 elects, to require that all or any portion of the monies payable right, if it elects, to require that all or any portion of the monies payable to pay all reasonable costs, expenses and attorney's fees necessarily paid or incurred by grantor in such proceedings and shall be paid to beneficiary and applied by it first upon any reasonable costs and expenses and attorney's fees, both in the trial and appellate courts, necessarily paid or incurred by beneficiary in said proceedings, and the balance applied upon any indebtedness secured by said proceedings; 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, upon 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; (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 to the grantee; and (e) reconveyance may be described as the "persons 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 \$5.00 and hereinafter may at any

[illegible]

11. The entering upon and taking possession of said property, the collection of such rents, issues and profits, or the proceeds of hire 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 with respect to such payment and/or performance, the beneficiary may declare all trust secured hereby immediately due and payable. In such an event, the beneficiary at his election may proceed to foreclose this trust deed by advertisement as a mortgage or direct the trustee to pursue any other right or 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 shall execute and cause to be recorded his written notice of default 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 of sale, give notice thereof as then required by law and proceed to foreclose this trust deed in the manner provided in ORS 86.735 to 86.799 by advertisement and

[illegible]

together with trustee's and attorney's fees not to exceed \$100.00. The sale shall be held on the date and at the time and place hereinabove specified, and the proceeds of the sale shall be paid to the person or persons named herein, and the same may be distributed to them as provided herein.

14. Otherwise, the sale shall be held on the date and at the time and place designated in the notice of sale. The trustee may sell said property or parcels as purchased in separate parcels and shall sell the parcels at public auction to the highest bidder for cash, in the form as required by law conveying said property to the purchaser without any covenant or warranty, express or implied, and shall deliver to the purchaser a deed in the form as required by law, conclusive proof of the property. The trustee shall not be liable for any error or omission in the deed or recitals in the deed of any matters of fact shown by the trustee, but including the truthfulness thereof. Any 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 the trust, (2) the compensation of the trustee and a reasonable charge thereon, (3) the obligation secured by the mortgage to all persons having recorded liens subsequent to the interest of the trustee in the trust having recorded liens subsequent to the interest of their predeceasing and (4) the interests of the beneficiaries in the order of their predeceasing and 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 such appointment, without conveyance to the successor trustee, the latter shall have all the powers, rights and duties conferred upon the trustee herein named or appointed hereunder, and the appointment or substitution shall be made by written instrument duly executed by beneficiary. The instrument of appointment or substitution shall be recorded in the records of the county or counties in which, when recorded in the records so required, 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

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 the purchase, construction, improvement, maintenance or repair of real property owned or to be owned by the grantor or for the payment of taxes on such property.~~

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.

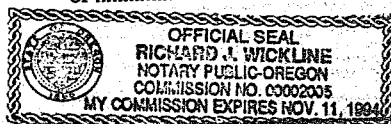
IN WITNESS WHEREOF, said grantor has hereunto set his hand the day and year first above written.

* 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.

STATE OF OREGON, County of Klamath) ss.

This instrument was acknowledged before me on April 9, 1992,
by Melvin C. Smith and Beverly A. Smith, 1992,

This instrument was acknowledged before me on _____, 19____,
by _____,
as _____,
of _____.



Richard J. Wickline
Notary Public for Oregon
My commission expires Nov 11-94

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. 891)

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

Melvin C. Smith

Beverly A. Smith

Grantor

Motor Investment Co

Beneficiary

AFTER RECORDING RETURN TO

Motor Investment Co

531 So 6th

Klamath Falls, Or 97601

SPACE RESERVED
FOR
RECORDER'S USE

STATE OF OREGON, } ss.
County of Klamath

I certify that the within instrument was received for record on the 10th day of April, 1992, at 11:25 o'clock A.M., and recorded in book/reel/volume No. M92 on page 7513 or as fee/file/instrument/microfilm/reception No. 43327, Record of Mortgages of said County.

Witness my hand and seal of County affixed.

Evelyn Bishn, County Clerk

NAME

TITLE

By Richard J. Wickline Deputy

Fee \$15.00