

THIS TRUST DEED, made this 2nd day of

June

19

94

between

ELDORADO HILLS APARTMENTS, LTD., An Oregon Corporation

as grantor, William Sisemore, as trustee, and
Klamath First Federal Savings and Loan Association, a corporation organized and existing under the laws of the United States,
as beneficiary;

WITNESSETH:

The grantor irrevocably grants, bargains, sells and conveys to the trustee, in trust, with power of sale, the property
in Klamath County, Oregon, described as:

PLEASE SEE ATTACHED EXHIBIT "A" FOR LEGAL DESCRIPTION

"UNDER OREGON LAW, MOST AGREEMENTS, PROMISES AND COMMITMENTS MADE BY US AFTER THE EFFECTIVE DATE OF THIS ACT CONCERNING LOANS
AND OTHER CREDIT EXTENSIONS WHICH ARE NOT FOR PERSONAL, FAMILY OR HOUSEHOLD PURPOSES OR SECURED SOLELY BY THE BORROWER'S RESIDENCE
MUST BE IN WRITING, EXPRESS CONSIDERATION AND BE SIGNED BY US TO BE ENFORCEABLE."

Grantor's performance under this trust deed and note it secures may not be assigned to or be assumed by another party. In the event of an attempted assignment or assumption, the entire unpaid balance shall become immediately due and payable. Which said described real property is not currently used for agricultural, timber or grazing purposes, together with all and singular the appurtenances, tenements, hereditaments, rents, issues, profits, water rights, easements or privileges now or hereafter belonging to, derived from or in anywise appertaining to the above described premises, and all plumbing, lighting, heating, ventilating, air-conditioning, refrigerating, watering and irrigation apparatus, equipment and fixtures, together with all awnings, venetian blinds, floor covering in place such as wall-to-wall carpeting and linoleum, shades and built-in appliances now or hereafter installed in or used in connection with the above described premises, including all interest therein which the grantor has or may hereafter acquire, for the purpose of securing performance of each agreement of the grantor herein contained and the payment of the sum of
Fifteen thousand and No/100----- (\$ 15,000.00) Dollars,

with interest thereon according to the terms of a promissory note of even date herewith, payable to the beneficiary or order and made by the grantor, principal and interest being payable in monthly installments of (\$227.61) commencing July 10, 19 94.

This trust deed shall further secure the payment of such additional money, if any, as may be loaned hereafter by the beneficiary to the grantor or others having an interest in the above described property, as may be evidenced by a note or notes. If the indebtedness secured by this trust deed is evidenced by more than one note, the beneficiary may credit payments received by it upon any of said notes or part of any payment on one note and part on another, as the beneficiary may elect.

The grantor hereby covenants to and with the trustee and the beneficiary herein that the said premises and property conveyed by this trust deed are free and clear of all encumbrances and that the grantor will and his heirs, executors and administrators shall warrant and defend his said title thereto against the claims of all persons whomsoever.

The grantor covenants and agrees to pay said note according to the terms thereof and, when due, all taxes, assessments and other charges levied against said property; to keep said property free from all encumbrances having precedence over this trust deed; to complete all buildings in course of construction or hereafter constructed on said premises within six months from the date hereof or the date construction is hereafter commenced; to repair and restore promptly and in good workmanlike manner any building or improvement on said property which may be damaged or destroyed and pay, when due, all costs incurred therefor; to allow beneficiary to inspect said property at all times during construction; to replace any work or materials unsatisfactory to beneficiary within fifteen days after written notice from beneficiary of such fact; not to remove or destroy any building or improvements now or hereafter constructed on said premises; to keep all buildings and improvements now or hereafter erected upon said property in good repair and to commit or suffer no waste of said premises; to keep all buildings, property and improvements now or hereafter erected on said premises continuously insured against loss by fire or such other hazards as the beneficiary may from time to time require, in a sum not less than the original principal sum of the note or obligation secured by this trust deed, in a company or companies acceptable to the beneficiary, and to deliver the original policy of insurance in correct form and with approved loss payable clause in favor of the beneficiary attached and with premium paid, to the principal place of business of the beneficiary at least fifteen days prior to the effective date of any such policy of insurance. If said policy of insurance is not so tendered, the beneficiary may in its own discretion obtain insurance for the benefit of the beneficiary, which insurance shall be non-cancellable by the grantor during the full term of the policy thus obtained.

In order to provide regularly for the prompt payment of said taxes, assessments or other charges and insurance premiums, the grantor agrees to pay to the beneficiary, together with and in addition to the monthly payments of principal and interest payable under the terms of the note or obligation secured hereby, an amount equal to one-twelfth (1/12th) of the taxes, assessments and other charges due and payable with respect to said property within each succeeding twelve months, and also one-thirty-sixth (1/36th) of the insurance premiums payable with respect to said property within each succeeding three years while this trust deed remains in effect, as estimated and directed by the beneficiary, such sums to be credited to the principal of the loan until required for the several purposes thereof and shall thereupon be charged to the principal of the loan; or, at the option of the beneficiary, the sums so paid shall be held by the beneficiary in trust as a reserve account, without interest, to pay said premiums, taxes, assessments or other charges when they shall become due and payable.

While the grantor is to pay any and all taxes, assessments and other charges levied or assessed against said property, or any part thereof, before the same begin to bear interest and also to pay premiums on all insurance policies upon said property, such payments are to be made through the beneficiary, as aforesaid. The grantor hereby authorizes the beneficiary to pay any and all taxes, assessments and other

charges levied or imposed against said property in the amounts as shown by the statements thereof furnished by the collector of such taxes, assessments or other charges, and to pay the insurance premiums in the amounts shown on the statements submitted by the insurance carriers or their representatives, and to charge said sums to the principal of the loan or to withdraw the sums which may be required from the reserve account, if any, established for that purpose. The grantor agrees in no event to hold the beneficiary responsible for failure to have any insurance written or for any loss or damage growing out of a defect in any insurance policy, and the beneficiary hereby is authorized, in the event of any loss, to compromise and settle with any insurance company and to apply any such insurance receipts upon the obligations secured by this trust deed. In computing the amount of the indebtedness for payment and satisfaction in full or upon sale or other acquisition of the property by the beneficiary after default, any balance remaining in the reserve account shall be credited to the indebtedness. If the reserve account for taxes, assessments, insurance premiums and other charges is not sufficient at any time for the payment of such charges as they become due, the grantor shall pay the deficit to the beneficiary upon demand, and if not paid within ten days after such demand, the beneficiary may at its option add the amount of such deficit to the principal of the obligation secured hereby.

Should the grantor fail to keep any of the foregoing covenants, then the beneficiary may at its option carry out the same, and all its expenditures therefor shall draw interest at the rate specified in the note, shall be repayable by the grantor on demand and shall be secured by the lien of this trust deed. In this connection, the beneficiary shall have the right in its discretion to complete any improvements made on said premises and also to make such repairs to said property as in its sole discretion it may deem necessary or advisable.

The grantor further agrees to comply with all laws, ordinances, regulations, covenants, conditions and restrictions affecting said property; 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 appear in and defend any action or proceeding purporting to affect the security hereof or the rights or powers of the beneficiary or trustee; and to pay all costs and expenses, including cost of evidence of title and attorney's fees in a reasonable sum to be fixed by the court, in any such action or proceeding in which the beneficiary or trustee may appear and in any suit brought by beneficiary to foreclose this deed, and all said sums shall be secured by this trust deed.

The beneficiary will furnish to the grantor on written request therefor an annual statement of account but shall not be obligated or required to furnish any further statements of account.

It is mutually agreed that:

1. In the event that any portion or all of said property shall be taken under the right of eminent domain or condemnation, the beneficiary shall have the right to commence, prosecute in its own name, appear in or defend any action or proceedings, or to make any compromise or settlement in connection with such taking and, if it so elects, to require that all or any portion of the money's 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 the grantor in such proceedings, shall be paid to the beneficiary and applied by it first upon any reasonable costs and expenses and attorney's fees necessarily paid or incurred by the beneficiary in such proceedings, and the balance applied upon the indebtedness secured hereby; and the grantor agrees, at its own expense, to take such actions and execute such instruments as shall be necessary in obtaining such compensation, promptly upon the beneficiary's request.

then due under this trust deed and the obligations secured thereby (including costs and expenses actually incurred in enforcing the terms of the obligation and trustee's and attorney's fees not exceeding the amount provided by law) other than such portion of the principal as would not then be due had no default occurred and thereby cure the default.

8. After the lapse of such time as may then be required by law following the recording of said notice of default and giving of said notice of sale, the trustee shall sell said property at the time and place fixed by him in said notice of sale, either as a whole or in separate parcels, and in such order as he may determine, at public auction to the highest bidder for cash, in lawful money of the United States, payable at the time of sale. Trustee may postpone sale of all or any portion of said property by public announcement at such time and place of sale and from time to time thereafter may postpone the sale by public announcement at the time fixed by the preceding postponement. The trustee shall deliver to the purchaser his deed in form as required by law, conveying the property so sold, but without any covenant or warranty, express or implied. The recitals in the deed of any matters or facts shall be conclusive proof of the truthfulness thereof. Any person, excluding the trustee but including the grantor and the beneficiary, may purchase at the sale.

4. 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.

10. For any reason permitted by law, the 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 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, containing reference to this trust deed and its place of record, which, when recorded in the office of the county clerk or recorder of the county or counties in which the property is situated, shall be conclusive proof of proper appointment of the successor trustee.

11. Trustee accepts this trust when this deed, duly executed and acknowledged is made a public record, as provided by law. The 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 the grantor, beneficiary or trustee shall be a party unless such action or proceeding is brought by the trustee.

12. This deed applies to, inures to the benefit of, and binds all parties hereto, their heirs, legatees devisees, administrators, executors, successors and assigns. The term "beneficiary" shall mean the holder and owner, including pledgee, of the note 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/or neuter, and the singular number includes the plural.

STATE OF OREGON *Frank J. Staricki*
County of _____ Frank J. Staricki, Secretary
ss

ation by: *Jerry Musselman* (SEAL)
Jerry Musselman, President
Jerry Musselman (SEAL)
Jerry Musselman, Individual

Notary Public in and for said county and state, personally appeared the within named GARY C. Mueselmann
AKA JERRY Mueselmann

to me personally known to be the identical individual () named in and who executed the foregoing instrument and acknowledged to me that executed the same freely and voluntarily for the use and purposes herein expressed.

IN TESTIMONY WHEREOF, I have hereunto set my hand and affixed my notarial seal the day and year last above written.

(SEAL)

Notary Public for Oregon
My commission expires:

08/29/96

OPTIONAL SECTION

CAPACITY CLAIMED BY SIGNER

Though statute does not require the Notary to fill in the data below, doing so may prove invaluable to persons relying on the document.

☐ INDIVIDUAL

☒ CORPORATE OFFICER(S)

Secere
TITLE(S)

☐ PARTNER(S) ☐ LIMITED
☐ GENERAL

☐ ATTORNEY-IN-FACT☐ TRUSTEE(S)☐ GUARDIAN/CONSERVATOR☐ OTHER:**SIGNER IS REPRESENTING:**

NAME OF PERSON(S) OR ENTITY(IES)

Terry Musselman

State of California

County of Alameda

On 6-28-94
DATE

before me,

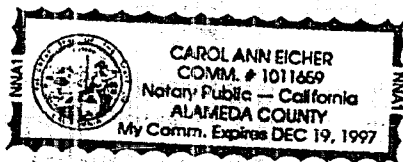
Carol Ann Eicher, Notary Public
NAME, TITLE OF OFFICER - E.G., "JANE DOE, NOTARY PUBLIC"

NAME, TITLE OF OFFICER - E.G., "JANE DOE, NOTARY PUBLIC"

personally appeared Frank J. Stawicki

NAME(S) OF SIGNER(S)

☒ personally known to me - OR - ☐ proved to me on the basis of satisfactory evidence to be the person(s) whose name(s) is/are subscribed to the within instrument and acknowledged to me that he/she/they executed the same in his/her/their authorized capacity(ies), and that by his/her/their signature(s) on the instrument the person(s), or the entity upon behalf of which the person(s) acted, executed the instrument.



WITNESS my hand and official seal.

Carol Ann Eicher

SIGNATURE OF NOTARY

OPTIONAL SECTION

**THIS CERTIFICATE MUST BE ATTACHED TO
THE DOCUMENT DESCRIBED AT RIGHT:**

| | |
|---------------------------|-----------|
| TITLE OR TYPE OF DOCUMENT | rust Deed |
|---------------------------|-----------|

NUMBER OF PAGES _____ DATE OF DOCUMENT _____

SIGNER(S) OTHER THAN NAMED ABOVE

Though the data requested here is not required by law, it could prevent fraudulent reattachment of this form.

A tract of land situated in the NW 1/4 SE 1/4 of Section 20, Township 38 South, Range 9 East of the Willamette Meridian, in the County of Klamath, State of Oregon, being a portion of vacated Block 8, ELDORADO HEIGHTS, more particularly described as follows:

Beginning at a 3/4 inch iron pipe marking the intersection of the Easterly line of Daggett Street and the Northerly line of Eldorado Blvd.; thence South 89 degrees 16' East along the Northerly line of Eldorado Blvd. a distance of 233.75 feet to a 3/4 inch iron pipe marking the beginning of a 30 degree 08' 35" curve to the right, having a radius of 756.26 feet; thence along the arc of said curve Southeasterly, and along the Northerly line of Eldorado Blvd., a distance of 397.84 feet to an iron pin marking the Southeasterly corner of parcel conveyed by Harry R. Waggoner to P. H. Leeling, et al., by deed recorded June 14, 1977 in Volume M-77 at Page 10392, Records of Klamath County, Oregon, and the true point of beginning of this description; thence continuing along the Northerly line of Eldorado Blvd. and along the arc of a 10 degree 32' 40" curve to the right, having a radius of 756.26 feet, a distance of 139.16 feet to the Southeasterly corner of Lot 19, Block 8, now vacated; thence North 41 degrees 26' 44" East along the Easterly line of said Lot 19, a distance of 110.0 feet to the Northeasterly corner thereof; thence Northwesterly along the arc of a curve which is parallel with, concentric to, and 110 feet distant radially from the Northerly line of Eldorado Blvd. a distance of 160.46 feet, more or less to the Northeasterly corner of said parcel described in Volume M-77 at Page 10392; thence South 30 degrees 21' 05" West along the Easterly line of last mentioned parcel a distance of 110.0 feet to the point of beginning.

LESS AND EXCEPT a parcel of land situated in the NW 1/4 SE 1/4 of Section 20, Township 38 South, Range 9 East of the Willamette Meridian, in the County of Klamath, State of Oregon, and being a portion of vacated Blocks 7 and 8 and vacated Clairmont Street, ELDORADO HEIGHTS ADDITION TO THE CITY OF KLAMATH FALLS, OREGON, being more particularly described as follows:

Beginning at a 1" iron pipe marking the Southeasterly corner of Lot 19 of said Block 8; thence Southeasterly along the Northerly right of way line of Eldorado Boulevard a distance of 104.69 feet, said right of way line being the arc of a curve concave to the Southwest having a radius of 756.26 feet; thence North 49 degrees 03' 38" East a distance of 119.99 feet to a point on the Northeasterly line of Lot 3 of said Block 7; thence North 32 degrees 04' 46" West a distance of 63.65 feet to the Northwest corner of Lot 2 of said Block 7; thence North 67 degrees 19' 42" West a distance of 63.24 feet to the Northeast corner of Lot 19 of said Block 8; thence Northwesterly along the Northeasterly line of said Lot 19 a distance of 18.10 feet, said line being the arc of a curve concave to the Southwest having a radius of 866.26 feet; thence South 34 degrees 59' 30" West a distance of 110.44 feet to a point on the Northerly right of way line of Eldorado Boulevard; thence Southeasterly along said right of way line, said line being a curve concave to the Southwest having a radius of 756.26 feet, a distance of 6.31 feet to the point of beginning.

CODE 1 MAP 3809-20DB TL 600

STATE OF OREGON: COUNTY OF KLAMATH: ss.

Filed for record at request of Klamath First Federal the 20th day of July A.D. 19 94 at 3:53 o'clock P. M., and duly recorded in Vol. M94 of Mortgages on Page 22305.

FEE \$20.00

Evelyn Biehn County Clerk

By Quinn Miller