

P341

Vol. M96 Page 16656

STATE OF OREGON,
 County of _____ } ss.

I certify that the within instrument
 was received for record on the _____ day
 of _____, 19____, at
 _____ o'clock _____ M., and recorded in
 book _____/_____/_____ volume No. _____ on page
 _____ and/or as fee/file/instru-
 ment/microfilm/reception No. _____,
 Record of _____ of said County.

Witness my hand and seal of County
 affixed.

 NAME TITLE
 By _____, Deputy.

SPACE RESERVED
 FOR
 RECORDER'S USE

Grantor irrevocably grants, bargains, sells and conveys to trustee in trust, with power of sale, the property in
KLAMATH County, Oregon, described as:
 AS PER EXHIBIT "A" ATTACHED HERETO AND BY THIS REFERENCE MADE A PART HEREOF.....

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 the property.

note of even date herewith, payable to beneficiary or order and made by grantor, the final payment of principal and interest hereof, if not sooner paid, to be due and payable on June 7, 1997.

1. To protect, preserve and maintain the property in good condition and repair; not to remove or demolish any building or improvement thereon; not to commit or permit any waste of the property;

3. To comply with all laws, ordinances, regulations, covenants, conditions and restrictions affecting the property; if the beneficiary so requests, to join in executing such financing 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 searches made by filing officers or searching agencies as may be deemed desirable by the beneficiary.

5. To keep the property free from construction liens and to pay all taxes, assessments and other charges that may be levied or assessed upon or against the property before any part of such taxes, assessments and other charges become past due or delinquent and promptly deliver receipts therefor to beneficiary; should the grantor fail to make payment of any taxes, assessments, insurance premiums, liens or other charges payable by grantor, either by direct payment or by providing beneficiary with funds with which to make such payment, 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 paragraphs 6 and 7 of this trust deed, shall be added to and become a part of the debt secured by this trust deed, without waiver of any rights arising from breach of any of the covenants hereof and for such payments with interest as aforesaid, the property hereinbefore described, as well as the grantor, shall be bound to the same extent that they are bound for the payment of the obligation herein described, and all such payments shall be immediately due and payable without notice, and the nonpayment thereof shall, at the option of the beneficiary, render all sums secured by this trust deed immediately due and payable and constitute a breach of this trust deed.

8. In the event that any portion or all of the property shall be taken under the right of eminent domain or condemnation, beneficiaries shall have the right if so elects, to require that all or any portion of the monies payable as compensation for such taking,

****WARNING: 12 USC 1701-3 regulates and may prohibit exercise of this option.** The publisher suggests that such an agreement address the issue of obtaining beneficiary's consent in complete detail.

[Signature]

The grantor warrants that the amount required to pay all reasonable costs, expenses and attorney's fees necessarily paid or incurred by grantor which are in excess of the amount required to pay all reasonable costs, expenses and attorney's fees, both in such proceedings, 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 such proceedings, and the balance applied upon the indebtedness 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 upon written request of beneficiary, payment of its fees and presentation of this deed and the note for endorsement (in case of full reconveyance, 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 the 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 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 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.

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 the 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 the 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 grantor's performance of any agreement hereunder, time being of the essence with respect to such payment and/or performance, the beneficiary may declare all sums secured hereby immediately due and payable. In such an event the beneficiary may elect to proceed to foreclose this trust deed in equity as a mortgage or direct the trustee to foreclose this trust deed by advertisement and sale, or may 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 or the trustee shall execute and cause to be recorded a written notice of default and election to sell the 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 86.795.

13. After the trustee has commenced foreclosure by advertisement and sale, and at any time prior to 5 days before the date the trustee conducts the sale, the grantor or any other person so privileged by ORS 86.753, may cure the default or defaults. If the default consists of a failure to pay, when due, sums secured by the trust deed, the default may be cured by paying the entire amount due at the time of the cure other than such portion as would not then be due had no default occurred. Any other default that is capable of being cured may be cured by tendering the performance required under the obligation or trust deed. In any case, in addition to curing the default or defaults, the person effecting the cure shall pay to the beneficiary all costs and expenses actually incurred in enforcing the obligation of the trust deed together with trustee's and attorney's fees 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 the sale may be postponed as provided by law. The trustee may sell the property either in one parcel or in separate parcels and shall sell the parcel or parcels at auction 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 implied. 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 grantor and beneficiary, may 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 sale, including the compensation of the trustee and a reasonable charge by trustee's attorney, (2) to the obligation secured by the trust deed, (3) to all persons having recorded liens subsequent to the interest of the trustee in the trust deed as their interests may appear in the order of their priority and (4) the surplus, if any, to the grantor or to any 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, 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 beneficiary, 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.

The grantor covenants and agrees to and with the beneficiary and the beneficiary's successor in interest that the grantor is lawfully seized in fee simple of the real property and has a valid, unencumbered title thereto, except as may be set forth in an addendum or exhibit attached hereto, and that the grantor will warrant and forever defend the same against all persons whomsoever.

WARNING: Unless grantor provides beneficiary with evidence of insurance coverage as required by the contract or loan agreement between them, beneficiary may purchase insurance at grantor's expense to protect beneficiary's interest. This insurance may, but need not, also protect grantor's interest. If the collateral becomes damaged, the coverage purchased by beneficiary may not pay any claim made by or against grantor. Grantor may later cancel the coverage by providing evidence that grantor has obtained property coverage elsewhere. Grantor is responsible for the cost of any insurance coverage purchased by beneficiary, which cost may be added to grantor's contract or loan balance. If it is so added, the interest rate on the underlying contract or loan will apply to it. The effective date of coverage may be the date grantor's prior coverage lapsed or the date grantor failed to provide proof of coverage. The coverage beneficiary purchases may be considerably more expensive than insurance grantor might otherwise obtain alone and may not satisfy any need for property damage coverage or any mandatory liability insurance requirements imposed by applicable law.

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 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 pledgee, of the contract secured hereby, whether or not named as a beneficiary herein.

In construing this mortgage, it is understood that the mortgagor or mortgagor may be more than one person; that if the context so requires, the singular shall be taken to mean and include the plural; and that generally all grammatical genders shall be made, assumed and implied to make the provisions hereof apply equally to corporations and to individuals.

IN WITNESS WHEREOF, the grantor has executed this instrument 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. June 4, 1996

This instrument was acknowledged before me on June 4, 1996, by Paul C. Cahill

This instrument was acknowledged before me on June 4, 1996, by Paul C. Cahill

Notary Public for Oregon My commission expires 1/31/98

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 the 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 the trust deed or pursuant to statute, to cancel all evidences of indebtedness secured by the trust deed (which are delivered to you herewith together with the trust deed) and to reconvey, without warranty, to the parties designated by the terms of the trust deed the estate now held by you under the same. Mail reconveyance and documents to

DATED: June 4, 1996

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.

Beneficiary

16658
18792

EXHIBIT "A"

A parcel of land situated in Lot 22-B, ENTERPRISE TRACTS, a duly recorded subdivision in Klamath County, State of Oregon, being more particularly described as follows:

Beginning at a 1/2 inch iron pin on the north line of said Lot 22-B from which an iron axle marking the northeast corner of said Lot 22-B bears North 89 degrees 46' 32" East, 969.54 feet said point of beginning also marking the intersection of the southerly right-of-way line of Eberlein Avenue with the southwesterly right-of-way line of the Klamath Falls-Malin State Highway No. 50; thence along said highway right-of-way line South 73 degrees 01' 26" East, 207.73 feet to a 5/8 inch iron pin; thence continuing along said right-of-way line South 40 degrees 00' 00" East, 494.80 feet to a 1/2 inch iron pin opposite engineers centerline station 184 + 44.8; thence leaving said right-of-way line South 50 degrees 00' 00" West, 64.24 feet to a 1/2 inch iron pin on the northerly right-of-way line of Alameda Avenue, a County Road; thence along said County Road right-of-way line North 47 degrees 07' 00" West, 263.85 feet to a 1/2 inch iron pin marking the beginning of a curve to the left; thence along the arc of a 1089.93 feet radius curve to the left (delta = 34 degrees 10', long chord = North 64 degrees 12' 02" West, 640.36 feet) 649.95 feet to a 1/2 inch iron pin; thence North 81 degrees 17' 00" West, 143.10 feet to a 1/2 inch iron pin at the point of intersection of said County Road right-of-way line with the southerly right-of-way line of Eberlein Avenue; thence North 89 degrees 51' 55" East along said right-of-way line 443.78 feet to the point of beginning.

Code 001 Tax Acct. No.: 3809-34CDD-200 Key No.: 444923
SEE CONTINUATION OF EXHIBIT "A"

STATE OF OREGON: COUNTY OF KLAMATH: ss.

Filed for record at request of Aspen Title & Escrow the 6th day
of June A.D. 19 96 at 3:47 o'clock PM., and duly recorded in Vol. M96
of Mortgages on Page 16656
By Bernetha G. Letsch, County Clerk
[Signature]

FEE \$20.00

CONTINUED ON NEXT PAGE

EXHIBIT "A" CONTINUED

EXCEPTING THEREFROM a parcel of land situate in Lot 22-B, ENTERPRISE TRACTS, in the County of Klamath, State of Oregon, more particularly described as follows:

Commencing at an iron axle marking the Northeast corner of said Lot 22-B; thence South 89 degrees 46' 32" West along the North line of said Lot 969.54 feet; thence South 73 degrees 01' 26" East along the Southwesterly right of way line of the Klamath Falls-Malin State Highway #50 a distance of 207.73 feet to a 5/8 inch iron pin; thence continuing along said right of way line South 40 degrees 00' 00" East, 134.80 feet to the point of beginning for this description; thence continuing along said right of way line South 40 degrees 00' 00" East, 360.00 feet to a 1/2 inch iron pin; thence at right angles South 50 degrees 00' 00" West, 64.24 feet to a 1/2 inch iron pin on the Northerly right of way line of Alameda Avenue, a County Road; thence North 47 degrees 07' 00" West along said right of way line 263.85 feet to a 1/2 inch iron pin marking the beginning of a curve to the left; thence along the arc of a 1089.93 foot radius curve to the left (delta = 04 degrees 59' 12", long chord = North 49 degrees 36' 36" West, 94.83 feet), 94.86 feet to a point on curve; thence leaving said right of way North 47 degrees 37' 18" East, 112.86 feet to the point of beginning.

Code 001 Tax Acct. No.: 3809-34CDD-200 Key No.: 444923

STATE OF OREGON: COUNTY OF KLAMATH: ss.

Filed for record at request of Aspen Title & Escrow the 24th day
of June A.D. 1996 at 3:46 o'clock P.M. and duly recorded in Vol. M96
of Mortgages on Page 18790

FEE \$20.00/RR

By Bernetha G. Letsch, County Clerk