

NC

36369

TRUST DEED

Vol. 11932 Page 11932

THIS TRUST DEED, made this _____ day of _____, 1996, between
 REGA D. FREEMAN AND ROBYN C. FREEMAN, HUSBAND AND WIFE AND RYON L. FREEMAN, A SINGLE
 MAN, ALL AS JOINT TENANTS _____, as Grantor,
 KLAMATH COUNTY TITLE COMPANY, _____, as Trustee, and
 ALBERT G. WIEMANS AND SALLY ANN FREDERICK, TRUSTEES OF THE KENNETH A. FREDERICK TRUST
 DATED OCTOBER 9, 1984 _____, 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 6 IN BLOCK 1, TRACT 1111, ACCORDING TO THE OFFICIAL PLAT THEREOF ON FILE IN THE
 OFFICE OF THE COUNTY CLERK OF KLAMATH COUNTY, OREGON.

ACCELERATION OF DEED OF TRUST: BENEFICIARY SHALL BE ENTITLED, WITHOUT FURTHER NOTICE, TO
 ACCELERATE THE UNPAID BALANCE OF PRINCIPAL AND ANY INTEREST ACCRUED THEREON, WHICH SHALL
 BE DUE AND PAYABLE FORTHWITH, UPON THE OCCURRENCE OF ONE OR MORE OF THE FOLLOWING EVENTS
 WHICH REMAIN UNCURED BY MAKER WITHIN THIRTY (30) DAYS AFTER WRITTEN NOTICE THEREOF ("DEFAULT")
 ATTACHED HERETO AND MADE A PART HEREOF, MARKED ITEMS 1 THROUGH 9 INCLUSIVE, EXHIBIT "A".
 (COMRISED OF 3 PAGES)

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.

FOR THE PURPOSE OF SECURING PERFORMANCE of each agreement of grantor herein contained and payment of the sum
 of TWENTY SEVEN THOUSAND 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
 not sooner paid, to be due and payable _____, 19 _____.

The date of maturity of the debt secured by this instrument is the date, stated above, on which the final installment of the note
 becomes due and payable. Should the grantor either agree to, attempt to, or actually sell, convey, or assign all (or any part) of the prop-
 erty or all (or any part) of grantor's interest in it without first obtaining 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 be-
 come immediately due and payable. The execution by grantor of an earnest money agreement** does not constitute a sale, conveyance or
 assignment.

To protect the security of this trust deed, grantor agrees:

1. To protect, preserve and maintain the property in good condition and repair; not to remove or demolish any building or im-
 provement thereon; not to commit or permit any waste of the property.
2. To complete or restore promptly and in good and habitable condition any building or improvement which may be constructed,
 damaged or destroyed thereon, and pay when due all costs incurred therefor.
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.
4. To provide and continuously maintain insurance on the buildings now or hereafter erected on the property against loss or
 damage by fire and such other hazards as the beneficiary may from time to time require, in an amount not less than \$ _____,
 written in companies acceptable to the beneficiary, with loss payable to the latter; all policies of insurance shall be delivered to the bene-
 ficiary as soon as insured; if the grantor shall fail for any reason to procure any such insurance and to deliver the policies to the beneficiary
 at least fifteen days prior to the expiration of any policy of insurance now or hereafter placed on the buildings, the beneficiary may pro-
 cure the same at grantor's expense. The amount collected under any fire or other insurance policy may be applied by beneficiary upon
 any indebtedness secured hereby and in such order as 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 here-
 under or invalidate any act done pursuant to such notice.
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 pay-
 ment, 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 pay-
 able and constitute a breach of this trust deed.
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.
7. 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 this deed,
 to pay all costs and expenses, including evidence of title and the beneficiary's or trustee's attorney's fees; the amount of attorney's fees
 mentioned in this paragraph 7 in all cases shall be fixed by the trial court and 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 at-
 torney's fees on such appeal.

It is mutually agreed that:

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

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 695.505 to 695.525.

*WARNING: 12 USC 1791j-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.

TRUST DEED

REGA G. FREEMAN, ROBYN C. FREEMAN
 RYON L. FREEMAN: 6676 NILE STREET
 KLAMATH FALLS, OR 97603

Grantor

ALBERT G. WIEMANS AND SALLY ANN
 FREDERICK TRUSTEES: 324 WEST FOOTHILL
 BLVD. MONROVIA, CA 91016

Beneficiary

After Recording Return to (Name, Address, Zip):

ALBERT G. WIEMANS, TRUSTEE FOR FREDERICK
 324 WEST FOOTHILL BLVD.
 MONROVIA, CA 91016

SPACE RESERVED
 FOR
 RECORDER'S USE

STATE OF OREGON,

County of _____

ss.

I certify that the within instru-
 ment was received for record on the
 _____ day of _____, 19____,
 at _____ o'clock _____ M., and recorded
 in book/reel/volume No. _____ on
 page _____ 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

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which are in excess of the amount required to pay all reasonable costs, expenses and attorney's fees necessarily paid or incurred by grantor 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 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 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 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 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 interest in the property, that the grantor is lawfully seized in fee simple of the real property and has a valid, unencumbered title thereto.

This instrument was acknowledged before me this 14th day of April, 1997, by Rega L. Freeman

My Commission Expires Mar. 9, 1998

and that the grantor 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 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 trust deed, it is understood that the grantor, trustee and/or beneficiary may each 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 changes shall be made, assumed and implied to make the provisions hereof apply equally to corporations and to individuals.

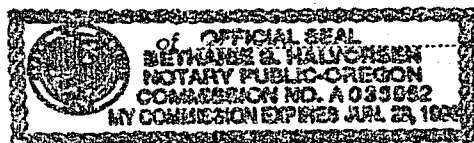
IN WITNESS WHEREOF, the grantor has executed this instrument the day and year first above written.

* 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 _____

This instrument was acknowledged before me on 25th MARCH, 1997, by Rega Freeman & Robyn Freeman

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



My commission expires 6.29.98

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 reconveyances and documents to _____

DATED: _____, 19____

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

EXHIBIT "A", page 1 of 3 pages

Acceleration of Note.

Holder shall be entitled, without further notice, to accelerate the unpaid balance of principal and any interest accrued thereon, which shall be due and payable forthwith, upon the occurrence of one or more of the following events, which remain uncured by Maker within thirty (30) days after written notice thereof ("Default"):

(1) The vacation or abandonment by Maker of the 5.6 acres, more or less, of real property in Klamath Falls, Oregon, sold pursuant to the AGREEMENT ON SALE AND PURCHASE OF REAL PROPERTY (the "SUBJECT PROPERTY");

(2) The failure of Maker to make any payment required to be made by Maker under the AGREEMENT ON SALE AND PURCHASE OF REAL PROPERTY, or under the Note, as and when due, where such failure shall continue for a period of 30 (thirty) days after written notice thereof by Holder to Maker;

(3) The failure by Maker to observe or perform any other of the covenants, conditions, or provision of this Note, or the AGREEMENT ON SALE AND PURCHASE OF REAL PROPERTY required to be observed or performed by Maker, where such failure shall continue for a period of 30 (thirty) days after written notice thereof by Holder to Maker; provided, however, that if the nature of Maker's default is such that more than 30 (thirty) days are reasonably required for its cure, then Maker shall not be deemed to be in default if Maker commences such cure within said period of 30 (thirty) days and thereafter diligently prosecutes such cure to completion.

(4) Failure to prevent disposal on the SUBJECT PROPERTY of any hazardous wastes, chemicals or other products, or failure to give written notice to Holder within 10 (ten) days of each violation, and shall cease each offending use, and promptly commence all work necessary to restore the real property to its condition prior to the offending use.

EXHIBIT "A", page 2 of 3 pages

(5) Failure to maintain the SUBJECT PROPERTY in good repair condition, failure to prevent anything to be done on or to the SUBJECT PROPERTY, which will in any way conflict with any law, statute, ordinance or other governmental regulation, whether now in force or hereafter promulgated, or failure to give written notice to Holder within 10 (ten) days of any violation or fine, actual or threatened, or notice of action issued by a governmental or other assessment district, insurance company or other risk carrier.

(6) Failure to carry liability, earthquake, and/or fire insurance, naming Holder as an additional insured, for a coverage of not less than 120% of the unpaid principal balance on the Note, with an insurer rated "A" or better in "Best's Insurance Guide," or failure to pay such insurance, as and when due.

(7) The sale, exchange, or transfer of the SUBJECT PROPERTY securing this Note (specifically excepting (i) a transfer whether direct or indirect to an entity controlled by Maker, and (ii) a transfer by Maker during life or at death, whether directly, indirectly, or by operation of law, to one or more members of Maker's family).

EXHIBIT "A", page 3 of 3 pages

(8) The making by Maker of any general assignment or general arrangement for the benefit of creditors; or the filing by or against Maker of a Petition to have Maker declared a bankrupt, or a Petition for reorganization or arrangement under any law relating to bankruptcy (unless in the case of a Petition against Maker, the same is dismissed within 30 [thirty] days); or the appointment of a trustee or receiver to take possession of substantially all of Maker's assets located on the SUBJECT PROPERTY or of Maker's interest in the SUBJECT PROPERTY, where possession is not restored to Maker within 30 (thirty) days; or the attachment, execution or other judicial seizure of substantially all of Maker's interest in the SUBJECT PROPERTY, where seizure is not discharged within 30 (thirty) days.

(9) Any other default under the AGREEMENT ON SALE AND PURCHASE OF REAL PROPERTY.

Upon a Default, Holder shall have the right to accelerate payment of the unpaid balance of principal on the Note together with any unpaid interest.

In addition, Holder shall have all other rights and remedies to which it may be entitled by law.

STATE OF OREGON : COUNTY OF KLAMATH: ss.

Filed for record at request of Klamath County Title the 21st day
of April A.D., 19 97 at 11:06 o'clock A. M., and duly recorded in Vol. M97
of Mortgages on Page 11932.

FEE \$30.00

Bernetha G. Letsch, County Clerk
by Kathleen Rose