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99 Apr 10 P3:52

Vol M69 Page 17472

TRUST DEED

Campus Investments, LLC
 P.O. Box 223
 Klamath Falls, OR 97601
 Grantor's Name and Address
 Campus Square Company, a
 partnership
 2461 Hawkins, Klamath Falls, OR 97601
 Beneficiary's Name and Address
 After recording, return to (Name, Address, Zip)
 AMERITITLE Collection #47905
 222 S SIXTH STREET
 KLAMATH FALLS OR 97601

SPACE RESERVED
 FOR
 RECORDER'S USE

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/reel/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

MTC, 47905-KR

THIS TRUST DEED, made this 30th day of April, 1999, between

Campus Investments, LLC
 AmeriTitle
 Campus Square Company, a partnership

_____, as Grantor,
 _____, as Trustee, and
 _____, as Beneficiary,

WITNESSETH:

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

See attached Exhibit "A".

See also attached Exhibit "B".

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 Five Hundred Thousand and no/100 Dollars (\$500,000.00)

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 May 5, 2008.

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 o- the buildings now or hereafter erected on the property against loss or
 damage by fire and such other hazards as the beneficiary c- in time to time require, in an amount not less than \$ full value
 written in companies acceptable to the beneficiary, with loc- ble 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 reas- o 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
 or any suit or action related to this instrument, including but not limited to its validity and/or enforceability, to pay all costs and ex-
 penses, including evidence of title and the beneficiary's or trustee's attorney fees; the amount of attorney fees mentioned in this para-
 graph 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 attorney 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 696.505 to 696.595.

**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.

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 subdivision 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 her, under, time being of the essence with respect to such payment or performance, the beneficiary may elect to proceed to foreclose this trust deed in equity as a mortgage or direct the trustee to do so. In such an event the beneficiary may elect to proceed to foreclose 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: (1) 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 here.n 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:

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(b) for an organisation, or (even if grantor is a natural person) are for business or commercial purposes.

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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.

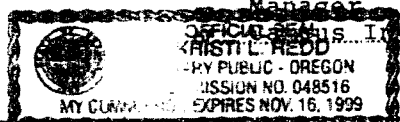
* IMPORTANT NOTICE: Delete, by lining out, whichever warranty (a) or (b) is not applicable; if warranty (a) is applicable and the beneficiary is a creditor as such word is defined in the Truth-in-Lending Act and Regulation Z, the beneficiary MUST comply with the Act and Regulation by making required disclosures; for this purpose use Stevens-Ness Form No. 1319, or equivalent. If compliance with the Act is not required, disregard this notice.

By Mark R. Wendt
Mark R. Wendt, Manager

STATE OF OREGON, County of Klamath) ss.

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

by
This instrument was acknowledged before me on 5/6, 19 99
by Mark B. Wendt



OFFICIAL PUBLIC Investments, LLC
KRISTIE L. REDD
-RY PUBLIC - OREGON
MISSION NO. 048516
EXPIRES NOV. 16, 1999

Notary Public for Oregon My commission expires 11/16/99

FOR THE CONVEYANCE (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: _____, 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" TO \$500,000 TRUST DEED

Lots 1, 2 and 3, Block 2, REPLAT NO. 1 OF SUNNYSIDE ADDITION, according to the official plat thereof on file in the office of the County Clerk of Klamath County, Oregon.

EXCEPTING THEREFROM a parcel of land situated in Block 2 of "Replat No. 1 of Sunnyside Addition" to the City of Klamath Falls, Oregon, being more particularly described as follows:

Beginning at a 1/2 inch iron pin marking the most Westerly corner of said Block 2; thence North 48 degrees 47' East along the South right of way line of Shallock Avenue, 190.00 feet; thence leaving said right of way line South 32 degrees 49' East parallel to Dahlia Street 80.00 feet; thence South 48 degrees 47' West parallel to said right of way line of Shallock Avenue, 190.00 feet to a 1/2 inch iron pin on the Easterly right of way line of said Dahlia Street; thence North 32 degrees, 49' West along said right of way line of Dahlia Street, 80.00 feet to the point of beginning.

SUBJECT TO:

1. Covenants, conditions and restrictions as shown on the recorded Plat.

2. Taxes or assessments, pro rated from the date of closing and those which are not shown as existing liens by the records of any taxing authority that levies taxes or assessments on real property or by the public records.

3. An easement created by instrument, subject to the terms and provisions thereof,

Dated: November 28, 1977

Recorded: February 2, 1978

Volume: M78, page 2045, Microfilm Records of Klamath County, Oregon

In favor of: Pacific Power & Light Company

For: 10 foot side underground electrical circuit

4. An easement created by instrument, subject to the terms and provisions thereof,

Dated: May 22, 1979

Recorded: September 19, 1979

Volume: M79, page 22273, Microfilm Records of Klamath County, Oregon

In favor of: Pacific Power & Light Company

For: Underground electrical circuit

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5. An easement created by instrument, subject to the terms and provisions thereof,

Dated: December 24, 1980

Recorded: December 24, 1980

Volume: M80, page 24969, Microfilm Records of Klamath County, Oregon

In favor of: First National bank of Oregon, a national Banking Association

For: Parking and ingress and egress

6. Unrecorded leases and tenancies, if any.

7. Assignment of Real Property, Lease by Tenant and Consent of Landlord, subject to the terms and provisions thereof,

Dated: September 5, 1991

Recorded: December 24, 1991

Volume: M91, page 26798, Microfilm Records of Klamath County, Oregon

By and between: Campus Square Company and Campus Drug, Inc.

8. Landlord's Consent, subject to the terms and provisions thereof,

Recorded: June 26, 1997

Volume: M97, page 19903, Microfilm Records of Klamath County, Oregon

Borrower: Cheryl A. Britton

Landlord: Campus Square Company

9. Lease, subject to the terms and provisions thereof,

Dated: October 12, 1995

Recorded May 26, 1998

Volume: M98, page 17547, Microfilm Records of Klamath County, Oregon

Affects 2218 Shallock Avenue

Lease Duration: August 31, 2000

Lessor: Henry T. Holman, Patricia R. Holman and Bekins Trust dba Campus Square Company

Lessee: A. Ron Bryant and Sonja Bryant dba Campus Drug

10. Trust Deed securing the sum of \$1,000,000

Dated: April 30, 1999

Recorded: May 10, 1999

Volume: M99, page 17452, Microfilm Records of Klamath County, Oregon

Beneficiary: South Valley Bank and Trust

Trustee: William P. Brandsness

Grantor: Campus Square Company

Campus Square Company agrees to pay the obligation secured therein and hold Campus Investments, LLC harmless therefrom.

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11. Trust Deed securing the sum of \$1,000,000

Dated: April 30, 1999

Recorded: May 6, 1999

Volume: M99, page 17467, Microfilm Records of Klamath County,
Oregon

Beneficiary: Campus Square Company

Trustee: AmeriTitle

Grantor: Campus Investments, LLC

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EXHIBIT "B"

This Exhibit "B" is attached to a Stevens-Ness form Trust Deed for an all inclusive Deed of Trust:

THIS TRUST DEED IS AN "ALL INCLUSIVE TRUST DEED" AND IS SUBORDINATE TO THE TRUST DEED NOW OF RECORD DATED APRIL 30, 1999, AND RECORDED MAY 6, 1999, IN VOLUME M99 AT PAGE 17453 MICROFILM RECORDS OF KLAMATH COUNTY, OREGON, WHICH SECURES THE PAYMENT OF A NOTE THEREIN MENTIONED.

CAMPUS SQUARE COMPANY, A PARTNERSHIP, BENEFICIARY HEREIN, AGREES TO PAY, WHEN DUE, ALL PAYMENTS DUE UPON THE SAID PROMISSORY NOTE IN FAVOR OF SOUTH VALLEY BANK & TRUST, AND WILL SAVE GRANTOR HEREIN HARMLESS THEREFROM.

SHOULD THE SAID BENEFICIARY HEREIN DEFAULT IN MAKING ANY PAYMENTS DUE UPON SAID PRIOR NOTE AND TRUST DEED, GRANTOR HEREIN MAY MAKE SAID DELINQUENT PAYMENTS AND ANY SUMS SO PAID BY GRANTOR HEREIN SHALL THEN BE CREDITED UPON THE SUMS NEXT TO BECOME DUE UPON THE NOTE SECURED BY THIS TRUST DEED.

State of Oregon, County of Klamath
Recorded May 6, 1999, at 3:32 PM
at the referenced page, Vol. M99.
Linda Smith, County Clerk
Fee \$ 35

Linda Smith

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