| NS | t. | Vol_MQ1_Page_4194 |
|-------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------|---------------------------------------|-------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------|
| GLN MANAGEMENT, INC., an Oregon Corporation Grantor's Name and Address JOYCE K. WARD 1945 MAIN STREET KLAMATH FALLS, OR 97601 Beneficiary's Name and Address After recording, return to (Name, Address, Zip): AMERITITLE / Collection Escrow Dept 222 S. Sixth Street | 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 o'clock M., and recorded in book/reel/volume No on page and/or as fee/file/instrument/microfilm/reception No Record of of said County. Witness my hand and seal of County affixed. |
| Klamath Falls OR 97601 | MTC 51110-14R | By Denuty. |
| THIS TRUST DEED, made this GLN MANAGEMENT, INC., an Oregon | day of January | , 2001 , XXX , between |
| AMERITITLE | | , as Grantor, , as Trustee, and |
| JOYCE K. WARD | WITNESSETH: and conveys to trustee in | |

See attached Exhibit A

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

FOR THE PURPOSE OF SECURING PERFORMANCE of each agreement of grantor herein contained and payment of the sum of One Hundred Forty-eight Thousand Six Hundred Thirty-two and 48/100 Dollars (\$148,632.48)

(\$148,632.48)

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 November 10, 2010 HXXX

The date of maturity of the debt secured by this instrument is the date, stated above, on which the final installment of the note

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.

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 improvement 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 linancing statements pursuant to the Uniform Commercial Code as the beneficiary may require and to pay for tiling same in the proper public office or offices, as well as the cost of all lien searches made by tiling 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 **EPLACEMENTO** of the written in companies acceptable to the beneficiary, with loss payable to the latter; all policies of insurance shall be delivered to the beneficiary at least litteen days prior to the expiration of any policy of insurance now or hereafter placed on the buildings, the beneficiary may procure 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 hereor any part thereof, may be released to grantor. Such application or release shall not cure or waive any detault or notice of detault 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

5. To keep the property tree 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.

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

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 escrew agent licensed under ORS 696.505 to 696.585.

which are in excess of the amount required to pay all reasonable costs, expenses and attorney's less necessarily paid or incurred by granter in such proceedings, shall be paid to beneficiary and applied by it first upon any reasonable costs and expenses and attorney's less, 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 granter agrees, at its own expense, to take such actions and execute such instruments as abili be necessary or the process of the

tract or loan agreement between them, beneficiary may purchase insurance at grantor's expense to protect beneficiary's intrest. This insurance may, but need not, also protect grantor's interest. If the colleteral 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 re-

quirements 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 mortgagee 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 changes shall be made, assumed and implied to make the provisions hereof apply equally to corporations and to individuals. 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.

| JAMES | к. | WARD, | President | |
|-----------------------------------------|---------|-------|-----------|--------|
| *************************************** | ******* | | | •••••• |

Klamath STATE OF OREGON, County of This instrument was acknowledged before me on ...

NOTARY PUBLIC- ORRGONGLIN MANAGEMENT, INC.

COMMISSION NO. 327508
MY COMMISSION EXPIRES NOV 18, 2003

| 7 | rus | W | (,) | laa | 1 | , |
|------------------|--------|------|---------|--------------|-------|-----|
| Notary Public fo | Oregon | Мусо | mmissic | on expires ! | 1/16/ | 130 |

| | Notary Public for Oregon My commission expires !!!/6/200 |
|-------------------------------------------------------------------------------------------------------------------------------------|------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------|
| REQUEST FOR FULL RECONVEYANG | CE (To be used only when obligations have been paid.) |
| TO: | , Trustee |
| trust deed or pursuant to statute, to cancel all evidences of together with the trust deed) and to reconvey, without war. | indebtedness secured by the foregoing trust deed. All sums secured by the trust rected, on payment to you of any sums owing to you under the terms of the indebtedness secured by the trust deed (which are delivered to you herewith ranty, to the parties designated by the terms of the trust deed the estate now ents to |
| , | |
| DATED:, 19 | |
| Do not lose or destroy this Trust Deed OR THE NOTE which it secure Both must be delivered to the trustee for cancellation before | |
| reconveyance will be made. | Beneficiary |

EXHIBIT "A" LEGAL DESCRIPTION

PARCEL 1:
Beginning at a point on the Northerly line of Main Street, which is South 89 degrees 18' East a distance of 862.2 feet along the Northerly line of Main Street from the Southeast corner of Block 57, SECOND HOT SPRINGS ADDITION to the City of Klamath Falls, Oregon; thence North degrees 42' East a distance of 254.5 feet, more or less, to a point which is 20 feet distant Southwesterly at right angles from the Southwesterly line of the U.S.R.S. Canal right of way; thence South 68 degrees 52' East and parallel with the Southwesterly line of said canal right of way and 20 feet distant Southwesterly at right angles therefrom a distance of 52.6 feet, more or less, to a point; thence South 0 degrees 42' West a distance of 234.5 feet, more or less to the Northerly line of Main Street; thence North 89 degrees 18' West along the Northerly line of Main Street a distance of 50 feet to the place of beginning, all in WILLIAMS ADDITION to the City of Klamath Falls, Oregon; and beginning at a point on the Northerly line of Main Street, which is South 89 degrees 18' East a distance of 912.2 feet along the Northerly line of Main Street from the Southeast corner of Block 57, SECOND HOT SPRINGS ADDITIONS to the City of Klamath Falls, Oregon; thence North 0 degrees 42' East a distance of 234.5 feet, more or less, to a point which is 20 feet distant Southwesterly at right angles from the Southwesterly line of the U.S.R.S. Canal right of way; thence South 75 degrees 22 1/2' East parallel with the Southwest line of said canal right of way and 20 feet distant Southwesterly at right angles therefrom a distance of 55 feet, more or less to the Northwest corner of that parcel of land deeded to Dr. A. A. Soule, April 24, 1923; thence in a Southerly direction and parallel to Mortimer Avenue, a distance of 214.8 feet, more or less, to the Northerly line of Main Street; thence Westerly along the Northerly line of Main Street a distance of 50 feet to the place of beginning, all in Williams Addition.

PARCEL 2:
Beginning at a point which is South 89 degrees 19' East a distance of 1062.2 feet, East along the Northerly line of Main Street from the Southeasterly corner of Block 57 of SECOND HOT SPRINGS ADDITION to the City of Klamath Falls, Oregon; thence North 0 degrees 42' East a distance of 191.25 feet to a point which is 20 feet distant Southwesterly at right angles from the Southwesterly line of the U.S. Reclamation Service Main Canal Right of Way; thence in a Northwesterly direction and parallel with the Southwesterly line of said canal right of way and 20 feet distant at right angles therefrom a distance of 101.25 feet, more or less, to a point; thence South 0 degrees 42' West a distance of 214 feet, more or less to the Northerly line of Main Street; thence South 89 degrees 18' East a distance of 100 feet to the place of beginning lying and being in the unplatted portion of Williams Addition to the city of Klamath Falls, Oregon, and in the South half of the Southeast quarter of the Southwest quarter of Section 28, Township 38 South, Range 9 East of the Willamette Meridian, Klamath County, Oregon.

PARCEL 3:
Beginning at a point which is South 89 degrees 18' East a distance of 1067.2 feet along the Northerly line of Main Street from the Southeasterly corner of Block 57 of SECOND HOT SPRINGS ADDITION to the City of Klamath Falls, Oregon; thence North 0 degrees 42' East a distance of 185.75 feet, more or less, to a point which is 20 feet distant Southwesterly at right angles from the Southwesterly line of the U.S. Reclamation Service Main Canal right of way; thence in Northwesterly direction and parallel with the Southwesterly line of the said canal right of way and 20 feet distant at right angles therefrom a distance of 5.18 feet the the Northeast corner of that piece of land deeded to Eve Soule by Herbert Lang and Jennie Lang, as recorded in Volume 105 at page 47 of Klamath County Deed Records; thence South 0 degrees 42' West a distance of 187.15 feet, more or less, to a point on the Northerly line of Main Street; thence South 89 degrees 18' East along the Northerly line of Main Street a distance of 5.0 feet to the point of beginning, lying and being in the unplatted portion of Williams Addition to the City of Klamath Falls, Oregon, and in the S1/2 SE1/4 SW1/4 of Section 28, Township 38 South, Range 9 East of the Willamette Meridian.

EXHIBIT "A"

| Subject to the following | Subject | t to | the ' | fol | lowin | g |
|--------------------------|---------|------|-------|-----|-------|---|
|--------------------------|---------|------|-------|-----|-------|---|

- That certain trust deed in which GLN Management, Inc. is the grantor, AmeriTitle is the trustee, and US Bank is the beneficiary, recorded in the office of the Klamath County Clerk in volume # mol page 4181
- Rights of the public in and to any portion of the herein described premises lying 1. within the limits of streets, road or highways.
- Ordinance #5526, vacating the alley between the Southerly boundary of the 3. Untied States Bureau of Reclamation "A" Canal and North of the herein described property, recorded April 25, 1966 in Volume M66, page 3643, Microfilm Records of Klamath County, Oregon.
- 4. An easement created by instrument, subject to the terms and provisions thereof, Dated: April 29, 1986 Recorded: June 19, 1986 Volume: M86, page 10667, Microfilm Records of Klamath County, Oregon In favor of: City of Klamath Falls, Oregon

For: Laying, constructing operating, maintaining, changing, relocating, removing and/or replacing a geothermal pipeline.

An easement created by instrument, subject to the terms and provisions thereof, 5. Dated: April 25, 1986 Recorded: June 19, 1986

Volume: M86, page 10670, Microfilm Records of Klamath County, Oregon In favor of: City of Klamath Falls, Oregon

For: Laying, constructing operating, maintaining, changing, relocating, removing and/or replacing a geothermal pipeline.

6. Right of First Refusal, subject to the terms and provisions thereof;

Dated: April 12, 1991 Recorded: May 29, 1991

Volume: M91, page 10029, Microfilm Records of Klamath County, Oregon Owners: Ward's Klamath Funeral Home, Inc., James Ward, Joyce Ward and

GLN Management

Purchasers: Eternal Hills Memorial Gardens, Inc.

State of Oregon, County of Klamath Recorded 02/01/01, at 3:18p. m. In Vol. M01 Page 4/94

Linda Smith,

County Clerk Fee\$ 36 00

EXHIBIT "A" Page 2