

TRUST DEED

and Frank E. Peyton and Cecile M. Peyton, husband and wife, 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:

Lots 8 and 9 in Block 5 of CANAL ADDITION to the City of Klamath Falls, Oregon, according to the official plat thereof on file in the records of Klamath County, Oregon

which said described real property does not exceed three acres, 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 said real estate, together with the proceeds of the sale of the same, to be retained and payment of the

FOR THE PURPOSE OF SECURING PERFORMANCE of each agreement of grantor herein contained and payment of the sum of Sixteen Thousand Eight Hundred Fourteen & 29/100ths (\$16,814.29) 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

The first payment due on or before 10/1/77 and like payment each month thereafter

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

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

2. To complete or restore promptly and in good and workmanlike manner 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 said 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 said premises 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 \$ _____ insurable value _____, written in

an amount not less than the amount of the insurance policy or policies written in the company or companies to the beneficiary, with loss payable to the latter; all policies of insurance shall be delivered to the beneficiary as soon as insured; and if the grantor shall fail for any reason to procure any such insurance, the grantor shall be deemed to have placed the same in the hands of the said deliver said policies to the policy or policies of insurance now or hereafter placed on said buildings, and the beneficiary may procure the same at grantor's expense. The amount collected under any fire or other insurance policy shall be paid over to the beneficiary in any manner and at any time and place, 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 of any amount so collected shall not constitute a release of the grantor from the duty to cure and repair to such notice.

act done pursuant to such notice.

5. To keep said premiums free from mechanics' liens and to pay all taxes, assessments and other charges that may be levied or assessed upon or against said property before any part of such taxes, assessments and other charges become past due or delinquent and promptly to pay the same to the beneficiary; and to pay the principal and interest of any taxes, assessments or charges payable by the grantor, either by direct payment or by providing beneficiary with funds for payment thereof, make such payment, and to pay the principal and interest of any such taxes, assessments and charges, 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 indebtedness of the trust to the beneficiary; and the rights arising from breach of any of the provisions hereinbefore described, shall be deemed to be assigned to the beneficiary hereunder and for such payments, with interest as aforesaid, the property hereinbefore described, as well as the grantor, shall be deemed to be mortgaged to the beneficiary, and all such payments shall be immediately due and payable with interest thereon, and the nonpayment thereof shall, at the option of the beneficiary, constitute a breach of the trust deed immediately due and payable and render all sums secured by the trust deed immediately due and payable and shall constitute a breach of the 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 or encroach upon the rights or powers of beneficiary or trustee; and in any suit or action or proceeding in which the beneficiary or trustee may appear, including but not limited to, any suit or action or proceeding to set aside, annul, rescind, or void any suit for the foreclosure of this deed, to pay any costs or expenses, including attorney's fees, incurred by the beneficiary or trustee, including evidence of the beneficiary'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 costs and expenses fixed by the trial court as just and reasonable on the beneficiary's or trustee's attorney's bill for such appeal.

It is mutually agreed that:

8. In the event that any portion or all of said property shall be taken under the right of eminent domain or any condemnation, beneficiary shall have the right, but no obligation, to accept all or any portion of the monies payable therefor, so as to effect compensation for all or any portion of the amount required for compensation for such taking, which is 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, and to pay the balance of the proceeds to be applied to the payment of the principal and interest on the mortgage, and to pay all reasonable costs, expenses and attorney's fees necessarily paid or incurred by beneficiary in such proceedings, and the balance applied upon the mortgage as secured hereby; and grantor agrees, and the court shall so decree, that such award and secure such instrument shall be given effect to, and the balance of such award shall be 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

The grantor covenants and agrees to and with the beneficiary and those claiming under him, that he is lawfully seized in fee simple of said described real property and has a valid, unencumbered title thereto

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, or a title insurance company authorized to insure title to real property of this state, its subsidiaries, affiliates, agents or branches.

and that he will warrant and forever defend the same against all persons whomsoever.

The parties hereto agree that a late charge of \$10.00 may be charged for any payment that is more than 10 days delinquent in addition to any other sums paid hereunder.

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 the neuter, and the singular number includes the plural.

IN WITNESS WHEREOF, said grantor has hereunto set his hand and seal the day and year first above written.

Erskine Deloe (SEAL)
Dorothy J. Deloe (SEAL)
(SEAL)

(If the signer of the above is a corporation, use the form of acknowledgment opposite.)

(ORS 93.490)

STATE OF OREGON, }
County of Klamath } ss.
Aug 31, 19 71.

Personally appeared the above named
Erskine Deloe & Dorothy Jean
Deloe and acknowledged the foregoing instru-
ment to be their voluntary act and deed.

Before me:
(OFFICIAL SEAL) *Calvin P. Peyton*
Notary Public for Oregon
My commission expires:
11/4/73

STATE OF OREGON, County of _____) ss.
_____, 19_____.
Personally appeared _____ and
_____, who, being duly sworn,
each for himself and not one for the other, did say that the former is the
_____, president and that the latter is the
_____, secretary of _____

_____, a corporation,
and that the seal affixed to the foregoing instrument is the corporate seal
of said corporation and that said instrument was signed and sealed in be-
half of said corporation by authority of its board of directors; and each of
them acknowledged said instrument to be its voluntary act and deed.
Before me:

Notary Public for Oregon
My commission expires:

(OFFICIAL SEAL)

TRUST DEED
(FORM No. 881)

Grantor

Beneficiary

STATE OF OREGON,
County of Klamath } ss.

I certify that the within instru-
ment was received for record on the
11th day of October, 19 71,
at 4:29 o'clock P.M., and recorded
in book M71 on page 10710.
Record of Mortgages of said County.

Witness my hand and seal of
County affixed.

Wm. D. Milne

County Clerk Title.
By *Wm. D. Milne* Deputy
Fee \$3.00

STEVENS LAW PUB. CO., PORTLAND, ORE.

James E. Peyton
1901 Auburn St
Klamath Falls, Oregon
97601

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

DATED: _____, 19____.

Beneficiary

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.