

KNOW ALL MEN BY THESE PRESENTS, That I, VIOLET COX, a widow, previously known as VIOLET POOLE

, hereinafter called grantor, for the consideration hereinafter stated, does hereby grant, bargain, sell and convey unto JAMES CHESTER EMERY

hereinafter called grantee, and unto grantee's heirs, successors and assigns all of that certain real property with the tenements, hereditaments and appurtenances thereunto belonging or in anywise appertaining, situated in the County of Klamath, State of Oregon, described as follows, to-wit:

The West Half (W $\frac{1}{2}$ ) of the Northwest Quarter of the Southwest Quarter (NW $\frac{1}{4}$ SW $\frac{1}{4}$ ) of Section Fifteen (15), Township Twenty-three (23) South, Range Ten (10) E. W. M., Klamath County, Oregon.

To Have and to Hold the same unto the said grantee and grantee's heirs, successors and assigns forever. The true and actual consideration paid for this transfer, stated in terms of dollars, is \$ a gift. However, the actual consideration consists of or includes other property or value given or promised which is the whole consideration (indicate which). (Valued at \$ 50.00 per acre.) In construing this deed the singular includes the plural as the circumstances may require. Witness grantor's hand this 28th day of June, 1969.

*Violet Cox*

STATE OF OREGON, County of Deschutes ss. Personally appeared the above named VIOLET COX, a widow, previously known as VIOLET POOLE and acknowledged the foregoing instrument to be her voluntary act and deed.

(OFFICIAL SEAL)

Before me: *W. D. Milne*

Notary Public for Oregon

My commission expires 7/21/72

NOTE—The sentence between the symbols @, if not applicable, should be deleted. See Chapter 462, Oregon Laws 1967, as amended by the 1967 Special Session.

### Bargain and Sale Deed

VIOLET COX, a widow previously known as VIOLET POOLE TO JAMES CHESTER EMERY

(DON'T USE THIS SPACE: RESERVED FOR RECORDING LABEL IN COUNTIES WHERE USED.)

AFTER RECORDING RETURN TO

*James C. Emery*  
1009 5th Ave.  
Sunnyvale, Cal. 94086

FEE \$ 3.00

STATE OF OREGON,

County of KLAMATH ss.

I certify that the within instrument was received for record on the 28th day of JUNE, 1976, at 3:20 o'clock P.M., and recorded in book 176 on page 9762 Record of Deeds of said County.

Witness my hand and seal of County affixed.

W. D. MILNE

COUNTY CLERK

Title. By *Harold Wagner* Deputy.

Loan No. 205041680

15608  
WHEN RECORDED MAIL TO  
EQUITABLE SAVINGS AND LOAN ASSOCIATION  
Address 212 South Sixth Street  
City Klamath Falls  
State Oregon 97601

MTC 1952

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SPACE ABOVE THIS LINE FOR RECORDER'S USE

### DEED OF TRUST

THIS DEED OF TRUST, made this 24 day of JUNE, 19 76, between DANNY L. WALTON and EVERETT W. WALTON (GRANTOR).

and TRANSAMERICA TITLE INSURANCE COMPANY (TRUSTEE)

and EQUITABLE SAVINGS AND LOAN ASSOCIATION, an Oregon corporation, (BENEFICIARY).

Grantor irrevocably GRANTS, BARGAINS, SELLS AND CONVEYS TO TRUSTEE IN TRUST, WITH POWER OF SALE, the real property in the County of KLAMATH State of OREGON described as follows: Lot 12 in Block 66, BUENA VISTA ADDITION to the City of Klamath Falls, according to the official plat thereof on file in the office of the County Clerk, Klamath County, Oregon.

which has the address of 441 TRINITY ST. KLAMATH FALLS (Street) (City)

OREGON 97601 (Property Address): (State and Zip Code)

together with (1) all interests, easements, rights and privileges now or hereafter belonging to or used in connection with this property and with all improvements, fixtures, furnishings, flora, appliances and apparatus of any nature now or hereafter attached to, adapted to, located on or used in connection with this property, (2) all interests Grantor may hereafter acquire, and (3) the rents and income thereof. All of the foregoing shall constitute the Trust Property.

This conveyance is to secure payment of all the following: (1) Sums due under a certain promissory note of the same date, executed by Grantor in the sum of ELEVEN THOUSAND TWO HUNDRED AND NO/100 Dollars (\$ 11,200.00), payable in 240 monthly payments with the final payment due on the 1 day of AUGUST, 1996, which is the maturity date of this Deed of Trust. (2) all further sums which may be loaned or advanced by Beneficiary to Grantor, or any of them, and (3) any additional sums which may become payable to Beneficiary under the provisions of this Deed of Trust or other security instruments securing this loan.

Unless otherwise provided, all additional sums becoming payable to Beneficiary under this Deed of Trust shall be due immediately and shall bear interest until paid at 10% per annum or the rate provided above, whichever is higher.

Each Grantor, jointly and severally, covenants and agrees as follows:  
1. **Covenant of Title.** Grantor is the owner in fee simple (or, if it has so advised Beneficiary in writing, the lessee) of the Trust Property and entitled to possession of it. Grantor has the right to convey the Trust Property and it is free from encumbrances, except those previously accepted by Beneficiary in writing. Grantor will keep the Trust Property free from all encumbrances and will warrant and defend it forever against all claims and demands.

2. **Payment.** Grantor will pay when due all secured sums described above.

3. **Representation as to Trust Property.**

- If located in Idaho, the Trust Property either is not more than twenty acres in area or is located within an incorporated city or village.
- If located in Washington, the Trust Property is not used principally for agricultural or farming purposes.
- If located in Oregon, the Trust Property is not now used for agricultural, timber or grazing purposes.



**4. Preservation, Repair and Use of Trust Property.** Grantor will keep the Trust Property in good condition and repair and will not remove, alter or demolish any structure on it without the written consent of Beneficiary. Grantor will complete all structures now or hereafter under construction on the Trust Property within the time allowed by the Construction Loan Agreement or six months, whichever is greater, and will completely repair and reconstruct any structure on the Trust Property which may be damaged or destroyed. Grantor will pay when due all claims for labor performed and materials furnished. Grantor will comply with all laws, ordinances, codes, orders, declarations, by-laws, rules, regulations and restrictions affecting the Trust Property and will not commit or permit waste of the Trust Property. Grantor will not use the Trust Property for any unlawful purpose.

**5. Insurance, Taxes and Reserves.**

a. The Trust Property shall be covered by fire insurance with extended coverage, mortgage insurance and such liability insurance as Beneficiary may require, and, flood insurance is required by law, in amounts as may be required by Beneficiary. The insurance companies and policies must be satisfactory to Beneficiary with loss payable to Beneficiary.

b. Unless this covenant is prohibited by law or waived in writing by Beneficiary, Grantor will pay Beneficiary each month a sum equal to one-twelfth of the annual taxes, assessments, insurance premiums and similar charges as estimated by Beneficiary. Beneficiary will apply such sums to payments of those items when due. Sums paid by Grantor under this provision shall not earn interest and may be co-mingled with other funds of Beneficiary. If Beneficiary is required by law to pay interest on these sums, Beneficiary may, unless prohibited by law, impose a charge for holding and disbursing such funds.

c. If Beneficiary waives the preceding covenant to prepay taxes, insurance premiums, assessments or similar charges, or if Grantor does not make prepayments sufficient for Beneficiary to pay such charges, then Grantor shall pay such charges when due and upon demand provide Beneficiary satisfactory evidence of payment and coverage. This obligation is additional to, and not an alternative to, the covenant to prepay such charges to Beneficiary.

d. In case of loss by any hazard, casualty, or contingency insured against, or in case of any condemnation proceedings, Grantor shall give immediate notice thereof to Beneficiary and Beneficiary may either (1) direct Grantor to collect the proceeds or award, in which case Grantor shall do so with due diligence, or (2) collect the proceeds or award itself, in which case Grantor shall cooperate as directed by Beneficiary. In either case, the proceeds or award shall be paid to Beneficiary (and all insurers or condemning authorities are herewith authorized to make such payment), and Beneficiary is authorized at its option, after reimbursing from such proceeds or award any expenses incurred in the collection or handling of the funds, to hold all or part of the net proceeds or award for payment of costs of restoration or repair of the property damaged, destroyed or condemned, and/or to apply all or part of the net proceeds as a credit on any portion of the secured debt selected by Beneficiary, whether then matured or to mature in the future, or on any deficiency judgment. Beneficiary shall not be responsible for any failure to collect any proceeds or award, regardless of the cause of such failure. The foregoing power and authority is irrevocable and coupled with an interest, and nothing done under this paragraph shall in any way waive any default or affect the security of this Deed of Trust or any liability of Grantor. Foreclosure hereof by sale or otherwise shall not affect or impair the above granted powers and authority.

**6. Delinquent Payments.** Grantor agrees to pay any expenses, including attorney's fees, incurred by Beneficiary or Trustee in collecting delinquent payments or in curing any default under this Deed of Trust.

**7. Leasehold Provisions.** Grantor will not default on any leases on the Trust Property to which Grantor is or may become a party, or materially modify any such lease without Beneficiary's written consent. Where Grantor is Lessor, Grantor will diligently enforce its rights and exercise its best efforts to continue any such lease in effect.

**8. Protection of Beneficiary's Security, Attorney's Fees and Expenses:**

a. Should Grantor fail to make any payment or to do any act as herein provided, Beneficiary without notice to Grantor and without releasing Grantor from any obligation hereof, may make or do the same in such manner and to such extent as it may deem necessary to protect the security of this Deed of Trust. Beneficiary is authorized to enter upon the Trust Property for such purposes. The Beneficiary may pay, purchase, contest or compromise any encumbrance, charge or lien which in its judgment appears to be prior or superior to the lien of this Deed of Trust.

b. In any suit to foreclose this Deed of Trust, or in any suit or proceedings in which it may be necessary for Beneficiary to appear in order to protect Beneficiary's security interest or in the event of any measures taken in connection with a sale or intended sale pursuant to the power granted hereunder, Grantor agrees to pay to Beneficiary all costs and expenses and a reasonable sum as attorney's fees, including fees on appeal, and further agrees to pay the costs of title search incurred in the foregoing.

c. Any expenses, attorney's fees and costs incurred under section 8 shall bear interest as provided in this Deed of Trust from the date of expenditure until paid and, at Beneficiary's option, may be billed directly to Grantor, which billing shall be immediately due and payable, or may be added to the principal amount secured hereby.

**9. Assignment of Rents; Receiver; Operation.**

a. As additional security, Grantor assigns to Beneficiary all rents and income from the Trust Property and assigns to Beneficiary any leases now or hereafter in effect upon the Trust Property or any part thereof, and Grantor gives to Beneficiary the authority, upon default, to collect the rents and income from the Trust Property. Upon any such default, Beneficiary may at any time without notice, either in person, by agent, or by a receiver to be appointed by a court, take possession of the Trust Property or any part thereof, and any personal property securing the indebtedness, may lease or rent all or part of the Trust Property, may repair and maintain the Trust Property, may pay all operating expenses, may retain the customary charges for managing property, may hire a management service or manager to manage the Trust Property, may pay taxes, assessments, insurance premiums and similar charges, all as it deems appropriate, and may collect the rent and income, including those past due and unpaid, and apply the same, less all costs and expenses of operation, management, repair and collection, including reasonable attorney's fees, upon any indebtedness secured hereby in such order as Beneficiary may determine.

b. Grantor agrees that a receiver may be appointed by a court without regard to the adequacy of the security for the indebtedness or the solvency of Grantor or the presence of waste or danger of loss or destruction of the Trust Property, to possess, manage and control the Trust Property and any personal property in which Beneficiary has a security interest as additional security for this loan and to collect the rent and income thereof and to exercise those rights set forth in section 9 or otherwise allowed by law.

**10. Relevant Financial Information.** Upon demand, Grantor will provide Beneficiary with operating statement and other financial information relevant to the use, operation and income of the Trust Property, including access to the books and records.

**11. Transfer of Property; Assumption; Conditions.**

a. This loan is personal to Grantor and not assignable. In making it, Beneficiary has relied on Grantor's credit, Grantor's interest in the Trust Property, and financial market conditions at the time this loan is made. If Grantor transfers or contracts to transfer title to or possession of all or part of the Trust Property, by deed, contract of sale, lease or similar agreement, Beneficiary may declare the entire balance of this loan immediately due and payable.

b. Beneficiary will waive its right under subparagraph 11.a. if the following conditions are met: (1) The credit of the third party is satisfactory to Beneficiary; and (2) the third party shall assume full personal liability for payment and performance of the note, Deed of Trust and other security instruments; and (3) a charge for administrative costs is paid to Beneficiary; and (4) if required by Beneficiary, either the interest rate on the secured loan is increased by not more than two (2%) percent, or Beneficiary is paid a lump sum compensation not to exceed two (2%) percent of the loan balance at the time of assumption.

c. Any increase in the interest rate shall entitle Beneficiary to increase the monthly payments so the secured debt will be paid in full by the maturity date of this Deed of Trust.

d. Assumption does not release Grantor or any successor in interest from personal liability for payment and performance of the terms and conditions of this loan.

**12. Default; Acceleration; Remedies.**

a. Time is material and of the essence hereof. If Grantor does not pay the secured indebtedness as provided, or if Grantor does not comply with the terms and conditions of this Deed of Trust, or if a proceeding under any bankruptcy, receivership or insolvency law be instituted by or against any of the Grantors, or if any of the Grantors make an assignment for the benefit of creditors, or if state laws are changed hereafter to impose what Beneficiary may deem to be a substantial tax upon Beneficiary by reason of its interest in this Deed of Trust (unless Grantor may lawfully pay such tax and does so), this Deed of Trust shall be in default. Any default under this Deed of Trust shall constitute a default under the note which it secures and under all other security instruments securing the note. Any default under such other security instruments shall constitute a default under this Deed of Trust. In the event of default, Beneficiary may declare all sums secured hereby immediately due and payable, and this Deed of Trust may be foreclosed and the Trust Property sold in any manner allowed by law, including without limitation, by advertisement and sale under exercise of power of sale, or as a mortgage on real property. Proceeds of a sale pursuant to exercise of the power of sale shall be applied to (1) the expenses of sale, including Trustee's and attorney's fees, and (2) obligations secured hereby. The surplus, if any, shall be paid to persons entitled there to by law.

b. In the event this Deed of Trust is foreclosed as a mortgage on real property, Grantor, and each of them, consents to a per-

