

1583

TRUST DEED

Vol. 76 Page 10030

WITNESSETH:

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

Lot 3 in Block 1 of PINECREST Tract 1093, according to the official plat thereof on file in the office of the County Clerk of Klamath County, Oregon

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.

FOR THE PURPOSE OF SECURING PERFORMANCE of each agreement of grantor herein contained and payment of the sum of EIGHT THOUSAND TWO HUNDRED DOLLARS 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 January 8th, 1993

The date of maturity of the debt secured by this instrument is the date, stated above, on which the final installment of said note becomes due and payable. In the event the within described property, or any part thereof, or any interest therein is sold, agreed to be sold, conveyed, assigned or alienated by the grantor without first having obtained 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 become immediately due and payable. * or hypothecated * or by operation of law

The above described real property is not currently used for agricultural, timber or grazing purposes.

or otherwise

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 listing 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 determine, in an amount not less than \$100,000.00, to be paid to the beneficiary, in writing in a contract acceptable 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 and to deliver said policies to the beneficiary at least fifteen days prior to the expiration of any policy then in force, the beneficiary may hereafter place on said buildings, or thereon, any policy or policies to procure the same at grantor's expense. The amount of any such policy or policies shall be paid to the beneficiary as soon as the same are 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 of such insurance, not part thereof, may be released to the grantor, or the grantor may, at any time, without notice or default or notice of default hereunder or invalidate any part thereof, by written notice to the beneficiary, rescind, suspend, or terminate the same pursuant to such notice.

5. To keep said premises free from construction liens and to pay all taxes, assessments and other charges that may be levied or assessed upon or against said property before any payment of such taxes, assessments, and other charges shall be made by the grantor, the grantor hereby covenants and agrees that the 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 shall have the right to make payment thereof and the amount of such payment 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 the foregoing. The property covenants hereof shall be in addition to the interest as aforesaid, the property covenants hereof shall be 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 upon notice, and the nonpayment thereof shall, in addition to the beneficiary's right to foreclose, render all sums due by the trust due immediately due and payable and shall be 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 the beneficiary or trustee on any suit for the foreclosure of this deed, to pay all costs and expenses, including expenses of title and the beneficiary's or trustee's legal fees, including expenses of title and the beneficiary's or trustee's legal fees, the amount of all taxes and interest on the property, and the amount of all costs and expenses of 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's fees actually incurred.

ney's fees on 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 condemnation, beneficiary shall have the right, as to the extent of any portion of the monies payable to beneficiary as compensation for such taking, 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. The amount so paid or incurred by grantor in such proceedings, shall be paid to beneficiary by grantor in full, and the balance applied upon the indebtedness incurred by grantor in such proceedings, necessarily paid or incurred by beneficiary in such proceedings, and the balance applied upon the indebtedness incurred hereby; and grantor agrees, at its own expense, to take such action and execute such instruments as may be necessary in obtaining such compensation for 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

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(a) consent to the making of any map or plat of said property; (b) join in granting any easement or creating any restriction thereon; (c) join in any subordination or other agreement affecting this deed, the lien or charge thereon; (d) reconvey, without warranty, any part of the property. The grantee in any reconveyance may be described as the "person or persons designated 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 or by attorney, pointed by court, take any action to secure, or to cause any security loan to be secured, and to take possession of said property or any part thereof, in its own name sue or otherwise collect the rents and profits, including those past due and unpaid, and apply the same to the payment of the principal and interest on the loan, and to pay the less costs and expenses of operation and collection, including reasonable attorney's fees upon the indebtedness secured hereby, and in such order as beneficiary may determine.

11. The entering upon and taking possession of said 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

12. Upon default by grantor in payment of any indebtedness secured hereby or in his performance of any covenant hereunder, the beneficiary may declare a default and hereby immediately due and payable. In such an event and if the above described real property is currently used for agricultural, timber or grazing purposes, the beneficiary may proceed to foreclose this trust deed in equity, as a mortgage. If the real property is not so currently used, the beneficiary at his election may proceed to foreclose this trust deed in equity as a mortgage or direct the trustee to foreclose this trust deed by advertisement and sale. In the latter event, upon notification of default and his election to sell the said described real property to satisfy the obligations secured hereby, whereupon the trustee shall fix the time and place of sale, give notice thereof as the law requires and proceed to foreclose this trust deed in the manner provided in the Uniform Foreclosure Law.

13. Should the beneficiary elect to foreclose by advertisement and sale, then after default at any time after five days before the sale set by the trustee, the grantor or the grantor or other person so privileged by ORS §67.60, may pay to the beneficiary or his successors in interest, respectively, the entire amount then due under the terms of the mortgage, including interest, taxes and expenses, and the expenses actually incurred in enforcing the terms of the obligation and trustee's and attorney's fees not exceeding \$50 (each) other than such portion of the principal as would not then be due had no such default occurred, in which event, in which event, the trustee's proceedings shall be dismissed by the trustee.

14. Otherwise, the sale shall be held on the date and at the time and place designated in the notice of sale. The trustee of said property either in one parcel or in several parcels shall sell the parcel or parcels aforesaid 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 nature whatsoever, including the name of the purchaser, shall be void and of no effect, excluding the trustee, but including the donor 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 to all persons, (2) to the obligation secured by the trust instrument to all persons, and (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 his successor in interest entitled to succeed to the property.

16. For any reason permitted by law beneficiary may from time to time appoint a successor or successors to any trustee named herein or to any successor named herein, and the appointment may be contingent, and without prejudice to the successor trustee, the latter shall be vested with all rights, powers and duties conferred upon any trustee herein named or appointed hereunder. Each such appointment shall be in writing and shall be filed with the Clerk of the County of Cook, Illinois, containing reference to this trust deed and its place of record, which, when recorded in the office of the County Clerk or Recorder of the county or counties in which the property of the trust is located, shall constitute notice to all persons claiming an interest in the trust.

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 trust or of any action or proceeding in which grantor, beneficiary or trust shall be a party unless such action or proceeding is brought by trustee.

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 in this state, its subsidiaries, affiliates, agents or branches, or the United States or any agency thereof.

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

and that he 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, household or agricultural purposes (see Important Notice below),
(b) for an organization, or (even if grantor is a natural person) are for business or commercial purposes other than agricultural 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 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 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 or 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, if this instrument is to be a FIRST lien to finance the purchase of a dwelling, use Stevens-Ness Form No. 1305 or equivalent; if this instrument is NOT to be a first lien, use Stevens-Ness Form No. 1306, or equivalent. If compliance with the Act not required, disregard this notice.

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

(ORS 93.490)

STATE OF OREGON,

County of Klamath

July 7, 1976

Personally appeared the above named

MARC D. HILL AND

KANDY C. HILL, husband and wife.

and acknowledged the foregoing instrument to be their voluntary act and deed.

(OFFICIAL SEAL)

Notary Public for Oregon
My commission expires 3-10-80

STATE OF OREGON, County of _____ ss.

Personally appeared _____ and

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 behalf of said corporation by authority of its board of directors; and each of them acknowledged said instrument to be its voluntary act and deed.

Notary Public for Oregon
My commission expires:

(OFFICIAL SEAL)

TRUST DEED

(FORM No. 881)

Marc D. Hill and Kandy C. Hill

Pinecrest, Bly, Ore.

Martin Development

P.O. Box 141, Bly, Ore.

Beneficiary

STATE OF OREGON

County of Klamath

I certify that the within instrument was received for record on the 9th day of JULY, 1976, at 9:48 o'clock A.M., and recorded in book M 76 on page 10396 or as file number 16083. Record of Mortgages of said County. Witness my hand and seal of County affixed.

W. D. MILNE

COUNTY CLERK

Title Deputy

after recording return to:

Martin Development

P.O. Box 141

Bly, Oregon 97622

FEE \$ 6.00

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 same. 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.