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25401

TRUST DEED

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THIS TRUST DEED, made this 8th day of September 1977, between
SANDY C. PEARSON,
Transamerica Title Insurance Company,
and **JACK LEACH and EMMA LEACH, husband and wife**,
as Grantor,
as Trustee,
and **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 1, 2, 3, 4, 5, 6, 7 and 8 in Block 16 of SECOND ADDITION TO KLAMATH FALLS.

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 heretofore 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 seven hundred fifty and no/100ths----- 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 **February 8, 1986***.

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.

The above described real property is not currently used for agricultural, timber or grazing purposes, payable on the sale of any constructed dwelling.

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 zoning ordinances, regulations, covenants, conditions and restrictions affecting said property; if the beneficiary so requests, to join in executing such encasing statements pursuant to the Uniform Commercial Code as it may from time to time require, to file or record same in the proper public office or offices as well as the office of all lessors, agents, made by filing affidavits 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 may be required by law, and to pay the premium, written in an amount not less than \$100.00 per month, payable to the beneficiary, in an amount acceptable to the beneficiary, with loss payable to the latter; all policies of insurance shall be delivered to the beneficiary as soon as insured; if the grantor shall fail for any reason to provide for such insurance and to give notice thereof to the beneficiary, the beneficiary may apply for cancellation of any policy of insurance "non" or "hereafter" placed on said buildings by 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 hereunder or invalidate any act done pursuant to such notice.
5. To keep and premises free from construction leases 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 have been discharged, satisfied and prompt delivery received therefor to beneficiary; should the grantor fail to make payment of any taxes, assessments, insurance premiums, leases 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 are bound to pay them the obligator herein described, and such payments shall be immediately due and payable with no 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 evidence of title and the beneficiary's or trustee's attorney's fees; the amount of attorney'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, 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 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, if it so elects, to require that all or any portion of the monies payable 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 and applied by it first upon any reasonable costs and expenses and attorney's fees, and in the event of any balance, necessarily paid or incurred by grantor in such proceedings, and the balance applied, up to the indebtedness secured hereby; and grantor agrees, at its own expense, to take such actions and execute such instruments as shall be necessary in obtaining such compensation, 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 for endorsement (in case of full reconveyance, for cancellation), without affecting the liability of any person for the payment of the indebtedness, trustee may

NOTE: This Trust Deed Act provides that the parties hereto shall be represented by 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 title insurance company authorized to insure title to real property of this state, its subsidiaries, affiliates, agents or branches, or the United States, or any agent thereof.

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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, except the 1977-78 real estate taxes which are now a lien but not yet payable.

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, insures 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.)

STATE OF OREGON,
County of Klamath ss.

September 3, 1977
Personally appeared the above named.

Sandy C. Pearson

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

Before me:

(OFFICIAL SEAL) *Kathy R. Meldams*

Notary Public for Oregon

My commission expires: 6-13-80

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

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.

Before me:

Notary Public for Oregon
My commission expires:

(OFFICIAL
SEAL)

REQUEST FOR FULL RECONVEYANCE

To be used only when obligations have been paid.

TO:

I 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.

TRUST DEED

(Form No. 881)
STEVENS-NESS LAW PUB. CO., PORTLAND, ORE.

PEARSON

Grantor

LEACH

Beneficiary

AFTER RECORDING RETURN TO:
Transamerica Title
600 Main Street
Klamath Falls, OR 97601

STATE OF OREGON

ss.

County of KLAMATH

I certify that the within instrument was received for record on the
8th day of SEPTEMBER, 1977,
at 3:19 o'clock P.M. and recorded
in book M77 on page 16730 or
as file/reel number 35401.
Record of Mortgages of said County.

Witness my hand and seal of
County affixed.

W.M. D. MILNE

COUNTY CLERK

Title

By *J. Frank Dugay Deputy*

FEE \$ 6.00