

Vol. 77 Page 19448

TRUST DEED

WITNESSETH:

The NE $\frac{1}{4}$ of the NE $\frac{1}{4}$ of the NW $\frac{1}{4}$ of Section 13, Township 23 South, Range 9 East of the Willamette Meridian, Klamath County, Oregon. EXCEPTING THEREFROM that portion thereof conveyed by instrument recorded August 26, 1964 in Volume 355, Page 531, Deed Records of Klamath County, Oregon, being the South 165 feet thereof.

SUBJECT TO:
Taxes for the fiscal year 1977-78, a lien but not yet
due and payable.

FOR THE PURPOSE OF SECURING PERFORMANCE of each agreement of grantor herein contained and payment of the sum of THIRTY THOUSAND FIVE HUNDRED (\$30,500.00) Dollars, with interest

FOR THE PURPOSE OF SECURING PERFORMANCE OF THE OBLIGATIONS HEREIN CONTAINED, I HAVE GRANTED TO YOU AND YOUR ASSIGNEES, SUCCESSORS AND CREDITORS, A FIRST MORTGAGE ON ALL MY REAL ESTATE IN THE COUNTY OF _____ STATE OF _____ TOGETHER WITH THE RIGHT OF SUBSTITUTION OF OTHER REAL ESTATE IN THE SAME COUNTY AND STATE, AS PROVIDED BY LAW.

I HEREBY CERTIFY THAT THE AMOUNT OF THIS DEBT IS NOT MORE THAN \$_____, WHICH IS LESS THAN THE TOTAL MARKET VALUE OF THE PROPERTY OFFERED AS SECURITY FOR THIS DEBT.

SUM OF _____ DOLLARS (\$_____) BEING THE FULL PAYMENT OF SAID NOTE

THEOREM ACCORDING TO THE TERMS OF A PROMISSORY NOTE OF EVEN DATE HEREWITH, PAYABLE TO BENEFICIARY OR ORDER AND

_____ 19__

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.

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.

manly any un-
destroyed thereon, and pay when due all costs incurred therefor, including attorney's fees, and pay when due all taxes, levies, assessments, 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 offices or searching agencies as may be deemed desirable by the beneficiary.

[illegible]

To keep said premises free from construction liens and to pay all taxes, assessments and other charges on said premises, the grantor, against said property before the grant of this trust, shall be bound to insure said property against fire and delinquent and promptly deliver receipts for such charges become payable by the grantor to the trustee of the trust. If the beneficiary should the grantor fail to make payment of such taxes, assessments or insurance premiums, liens or other charges payable by grantor, either by direct payment or by providing for the same, the trustee of the trust shall, at its option, make payment thereof on behalf of the grantor, and the amount so paid, with interest at the rate set forth in the first and the amount, 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 such payments, with interest as aforesaid, the provisions hereof shall be binding on the grantor, and the trustee of the trust, covenants hereof shall be binding on the grantor, and the trustee of the trust, hereby described, as well as the grantor, shall be bound to pay the obligation hereinafter described, as well as the grantor, shall be bound to pay the obligation hereinafter described, that they are bound for the payment of the obligations hereinafter described, and all such payments shall be made, at the option of the beneficiary, and the nonpayment thereof shall, at the option of the beneficiary, render all of the foregoing by this trust deed immediately due and payable and shall be a breach of this trust deed.

[illegible]

It is mutually agreed that:

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 so elected, to require that all or a portion of the monies payable as compensation for such taking, which are in excess of the amount required to pay all reasonable attorney's expenses and attorney's fees necessarily incurred by the factor in such proceedings, shall be paid to the beneficiary by it first upon any reasonable costs and expenses incurred or incurred by beneficiary in the trial and appellate courts, and secondly, upon the indebtedness secured hereby; and the balance applied upon the indebtedness secured hereby; and the 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 the full consideration of this deed and the note for the full amount of full reconveyances, for cancellation), without attornment or release of any person for the payment of the indebtedness, trustee may

the liability of any person for the payment of the indebtedness, incurred by

(c) consent to the making of any map or plat of said property; (b) join in any granting any easement or creating any restriction thereon; (c) join in any subordination or other agreement affecting this lien or 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" described in the recitals therein of any matters or facts shall be the conclusive and controlling evidence of the truthfulness thereof. Trustee's fees for any of the foregoing shall be as provided in this paragraph shall be not less than \$5.

[illegible]

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 agreement hereunder, the beneficiary may declare all sums secured hereby immediately due and payable. In such an event, the beneficiary may, in addition to the rights of a mortgagee in agricultural land under or grazing purposes, the beneficiary may provide by law for mortgage deed in equity, as a mortgage in the manner now provided by law for mortgage foreclosures. However if said 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 in the manner provided by law for mortgage foreclosures. In the latter event the beneficiary or the trustee at his election to sell the cause to be recorded his written notice of default and of 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 required by law and proceed to foreclose this trust deed in the manner provided by law.

required by law and proceed to foreclose time to foreclosure by advertisement and so long as ORS 86.010 (the beneficiary elects to foreclose by advertisement) and so long after default at any time prior to five days before the date set by the trustee for the trustee's sale to the beneficiary or his successors in interest, respectively, ORS 86.060 shall apply to the beneficiary or his successors in interest, respectively, the entire amount then due under the terms of the deed of trust, and the obligation secured thereby (including costs of suit), and the trustee's attorney's fees not exceeding \$50 per hour, whether or not such portion of the principal as would not exceed \$50 per hour has been paid; provided, however, that if a default, in which event no finding had no default occurred, and thereby cure the "trustee."

[illegible]

15. When trustee sells pursuant to the powers provided herein, trust shall apply the proceeds of sale to payment of (1) the expenses of sale, including the compensation of the trustee and a reasonable charge to all persons, (2) the obligation secured by the trust deed, (3) to all persons other than the grantor or his heirs, assigns, personal representatives or attorney, (4) the obligation subsequent to the interest of the trust in the foregoing, recorded liens subsequent to the interest of the grantor and (5) the balance of the proceeds to the grantor or to his successor in interest entitled to said proceeds.

surplus, if any, to the grantor or to his successor in interest entitled to a surplus.

time appoint a successor or successors to any trustee named herein and with full power to the said trustee to execute and deliver with or without the aid of a successor trustee appointed hereunder. Upon the death of the said trustee and with conveyance to the successor trustee hereunder shall be vested with all or part of the property herein named or substituted hereunder. Each such appointment and substitution shall be made by a written instrument executed by the trustee and shall be subject to the following: reference to this trust and its place in the public records of the county of Cook, Illinois, shall be conclusive proof of proper appointment of the successor trustee, and the recording of this instrument in the public records of the county of Cook, Illinois, shall be conclusive proof of proper execution of this trust, when this deed, duly executed by the said trustee, is recorded in the public records of the county of Cook, Illinois.

17. Trustee accepts this trust when this deed, duly executed and acknowledged is made a public record as provided by law. Trustee is obligated to notify any party hereto of pending sale under any other deed of trust or of any action or proceeding in which grantor, beneficiary or trustee is a party. Any action or proceeding is brought by trustee.

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 of 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 Deschutes } ss.
Oct 5, 1977

Personally appeared the above named
RONALD D. PATTERSON and PATRICIA
A. PATTERSON, husband and wife,

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

(OFFICIAL
SEAL)

Before me:

Notary Public for Oregon

My commission expires: 4/1/80

STATE OF OREGON, County of _____) ss.

Personally appeared _____, 19____, 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)

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.

TRUST DEED

(FORM No. 801)

STEVENS-NESS LAW PUB. CO., PORTLAND, ORE.

RONALD D. PATTERSON and
PATRICIA A. PATTERSON,
husband and wife, Grantor
E. O. MORRIS and IVADELL
MORRIS, husband and wife,
Beneficiary

SPACE RESERVED
FOR
RECORDER'S USE

AFTER RECORDING RETURN TO

Central Oregon Escrow
P.O. Box 567
Bend OR 97701

FEE \$ 6.00

STATE OF OREGON

County of KLAMATH } ss.

I certify that the within instru-
ment was received for record on the
12th day of OCTOBER, 1977,
at 11:10 o'clock M., and recorded
in book M77 on page 1942 or
as file/reel number 37193,
Record of Mortgages of said County.

Witness my hand and seal of
County affixed.

WM. D. MILNE

County Clerk Title

By Bernard J. Letcher Deputy