

28-3025  
WHEN RECORDED MAIL TO  
EQUITABLE SAVINGS AND LOAN ASSOCIATION  
Address 212 South Sixth Street  
City Klamath Falls  
State Oregon 97601

42173

Vol. <sup>m</sup> 78 Page 1492

## SECOND DEED OF TRUST

THIS DEED OF TRUST, made this 17th day of JANUARY, 19 78, between LEONARD T. CONNELL and PAULINE R. CONNELL (GRANTOR),  
and (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:

The following described real property in Klamath County, Oregon:

A tract of land situated in the NW 1/4 NW 1/4 of Section 28,  
Township 39 South, Range 9 East of the Willamette Meridian, more  
particularly described as follows:

Beginning at a 5/8 inch iron pin on the West line of the said  
section 28, being located South 00° 01' 40" West 251.50 feet from  
a 5/8 inch iron pin marking the Northwest corner of said section  
28; thence South 89° 58' 20" East 756.58 feet to a 5/8 inch iron  
pin; thence North 00° 01' 40" East parallel to the West line of  
said section 28 a distance of 200.00 feet; thence North 89° 58' 20"  
West 756.58 feet to the West line of said Section 28; thence South  
00° 01' 40" West 200.00 feet to the point of beginning, including  
that portion along the Westerly side lying within the Tingley Road  
right of way.

Unless otherwise provided, an additional sum securing the  
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 the First Mortgage and those encumbrances previously accepted by Beneficiary in writing. Grantor will keep the Trust Property free from additional encumbrances and will warrant and forever defend it against all claims and demands.

2. **Payment.** Grantor will pay when due all secured sums described above and all obligations secured by the First Mortgage.

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

(a) 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.

(b) If located in Washington, the Trust Property is not used principally for agricultural or farming purposes.

(c) 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 pay when due all claims for labor performed and materials furnished. Grantor will comply with all laws, ordinances, codes, orders, declarations, bylaws, rules, regulations and restrictions affecting the Trust Property and will not commit or permit waste thereof. Grantor will not use the Trust Property for any unlawful purpose.

5. **Taxes.**

(a) Grantor will pay when due all taxes, assessments and similar charges levied against the Trust Property.

(b) In case of loss by any hazard, casualty, or contingency insured against, or in the 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 subject to the rights of the holder of the First Mortgage, (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 DLD-4 (11/76)

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 attorneys' fees, incurred by Beneficiary or Trustee in collecting delinquent payments or in curing any default under this Deed of Trust.

7. **Protection of Beneficiary's Security, Attorneys' Fees and Expenses.**

(a) Should Grantor fail to make any payment or to do any act as herein provided or as required by the First Mortgage or the note which it secures, 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 attorneys' fees, including fees on appeal, and further agrees to pay the costs of title search incurred in the foregoing.

(c) Any expenses, attorneys' 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.

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

9. **Default, Acceleration, Remedies.**

(a) Time is material and of the essence hereof. If Grantor does not pay the indebtedness secured hereby or the indebtedness secured by the First Mortgage as provided or if Grantor does not comply with the terms and conditions of this Deed of Trust and the First Mortgage, 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



which has the address of RT. 1 BOX 923-B, KLANATH FALLS, OREGON 97601 (Property Address);  
(Street) (City) (State) (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 Deed of Trust is secondary and subject to a prior mortgage/deed of trust on the above-described real property made by LEONARD T. CONDELL and PAULINE R. CONDELL Mortgagor/Grantor to TRANSCAMERICA TITLE CO., Trustee, with EQUITABLE SAVINGS & LOAN as Mortgagee/Beneficiary and dated JUNE 6, 19 73, recorded in book M-73, page 8141, or as File No. \_\_\_\_\_, Reel No. \_\_\_\_\_, Mortgage Records of the County in which the property is located. The First Mortgage/Deed of Trust and the obligation secured thereby are referred hereafter as the First Mortgage. The First Mortgage secures a note for the principal sum of \$ 40,000.00 with the unpaid principal balance on the date of the execution of this Second Deed of Trust is \$ 38,018.98 and the interest thereon is paid to JANUARY 5, 19 78.

This conveyance is to secure payment of all of the following: (1) Sums due under a certain promissory note of the same date, executed by Grantor in the sum of TWO THOUSAND TWO HUNDRED and 00/100 \$2,200.00, payable in 72 monthly payments with the final payment due on the 23 day of JANUARY, 19 84, 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 the First Mortgage and those encumbrances previously accepted by Beneficiary in writing. Grantor will keep the Trust Property free from additional encumbrances and will warrant and forever defend it against all claims and demands.

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(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 attorneys' fees, including fees on appeal, and further agrees to pay the costs of title search incurred in the foregoing.

(c) Any expenses, attorneys' 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.

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(b) In the event this Deed of Trust is foreclosed as a mortgage on real property, Grantor, and each of them, consents to a personal deficiency judgment for any part of the debt hereby secured which shall not be paid by the sale of the Trust Property, unless such judgment is prohibited by law, and in

12. Notice, except for any notice required under applicable law to be given in another manner, any notice to Grantor provided for in this Deed of Trust shall be given by mailing such notice addressed to Grantor at the Property Address or at such other address as Grantor may designate by written notice to Beneficiary.

14-00000

Notary Public for Oregon  
My commission expires: March 1, 1980

\_\_\_\_\_ 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, before me:

Notary Public for \_\_\_\_\_  
My commission expires: \_\_\_\_\_

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EQUITABLE SAVINGS AND LOAN ASSOCIATION, Beneficiary By \_\_\_\_\_