

## TRUST DEED

KIENEH ESTATE 81901  
 SEE THIS TRUST DEED made this 30th day of March, 1978, between  
 C. L. & Bruce Owens and E. Marie Owens, Husband and Wife,  
 G. J. Matzen, City Attorney  
 and  
 CITY OF Klamath Falls, A Municipal Corporation  
 and  
 V. W. MUNICIPAL CORPORATION, WITNESSETH:

Grantor irrevocably grants, bargains, sells and conveys to trustee in trust with power of sale, the property  
 in the Klamath Falls County, Oregon, described as:  
 HOMESTEAD AND BUILDING  
 Lots 23 and 24, Block 2, Nob Hill Plat in the City of Klamath Falls, Oregon.

## LBN2J DEED

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 Seven Thousand Three Hundred Twenty 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 June 29, 1982.

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.

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 on 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 therefor all costs incurred therefore.
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 filing same in the proper public office or offices, as well as the cost of all lien searches made by filing officer, or searching agencies, as may be deemed desirable by the beneficiary.
4. To provide and continuously maintain insurance on the buildings and such other hazards as the beneficiary may from time to time require, in an amount not less than \$100,000, with loss payable to the latter; all premiums payable to the beneficiary, with loss payable to the latter; all premiums payable to the beneficiary as soon as issued; and to pay the premium on the original policy, and to pay the premium on any renewal policy delivered to the beneficiary at least fifteen days prior to the expiration of any policy of insurance now or hereafter placed on said buildings, 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 incurred hereby and in such order as beneficiary determines, or at option of beneficiary the entire amount so collected, or any part thereof, may be retained by 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 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 part of such taxes, assessments and other charges become due but delinquent and to deliver receipts therefor to 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 may, at its option, make payment therof, and the amount so paid, with interest at the rate set forth in the note described, together with the obligation described in paragraphs 6 and 7 of this trust deed, shall be added to and become a part of the debt created by this trust deed, without waiver of any rights arising from breach of any of the covenants hereof and not make payments with interest as aforesaid, the property hereinafter 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 without 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, legal and expenses of this trust, including the cost of title search and, as the title 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 any suit for the foreclosure of this deed, to pay all costs and expenses, including evidence of title and the beneficiary's or trustee's attorney's fees; the expenses of attorney's fees mentioned in this paragraph 7, in all cases shall be paid by 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 or the appellate court shall adjudge reasonable as the beneficiary's or trustee's attorney's fees on such appeal.
8. It is mutually agreed that, under the right of enforcement of this instrument, whatever be taken under the right of enforcement, domain or possession, beneficiary shall have the right, if it so elects, to require that all or any portion of the monies payable for 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, both in the trial and appellate courts, necessarily paid or incurred by beneficiary in such proceedings, and the balance applied upon the indebtedness secured hereby; and, if so directed, 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: The Trust Deed Act provides that the trustees 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, 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 agency thereof.

