

A-29313 49862 TRUST DEED

Vol. **79** Page **12449**

THIS TRUST DEED, made this **15TH** day of **MAY**, 19 **78**, between **TOM W. MAHON AND N. ZACK, Ph.D.** and **STERLING F. DAVIS AND JOYCE E. DAVIS, HUSBAND AND WIFE**, as Grantor, as Trustee, as Beneficiary,

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

S1/2 SW1/4 NW1/4, W1/2 NW1/4 SW1/4, ALL THE S1/2 SW1/4 LYING WEST OF THE O.C. & E. RAILROAD ALL IN SECTION 15, T36S, R10EWM.

FOR PARTIAL RELEASE AGREEMENT, SEE ATTACHED EXHIBIT A.

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 **TWENTY-ONE THOUSAND AND 00/100** 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

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 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 filing 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 and such other hazards as the beneficiary may from time to time require, in an amount not less than \$_____ written in the policies of insurance shall be delivered to the beneficiary as soon as insured; 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 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 secured hereby and in such order as beneficiary may determine, or at option of beneficiary the entire amount so collected, or 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 past due or delinquent and promptly 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 thereof, together with the obligations described in paragraphs 6 and 7 of 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 herebefore 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, 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 or 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 attorney's fees mentioned in the paragraph 7 in all cases shall be borne by the grantor 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 on such appeal.

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 to elect to require that all or any portion of the amount payable to grantor in such proceedings, shall be paid to beneficiary, and the balance thereof shall be paid to grantor, and grantor agrees, at its own expense, to take such actions, proceedings, payments and from time to time upon written request of beneficiary, payment of its fees and preservation of the deed and the note for endorsement (in case of full prepayment, for cancellation), without affecting the liability of any person for the payment of the indebtedness, trustee may

(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 or the lien or charge thereon; (d) receive, without warranty, all or any part of the property, the grantor in any reconveyance may be described as the "person or persons legally entitled 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 to be appointed by a court, and without regard to the adequacy of any security for the indebtedness hereby secured, enter upon and take possession of said property or any part thereof, in its own name sue or otherwise collect the rents, issues and profits, including those past due and unpaid, and apply the same, net of its fees upon any indebtedness secured and collection, including reasonable attorney's fees 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 pursuant to such notice.

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 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, in the manner 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 cause to be recorded his written notice of default and his election to sell the upon the trustee shall fix the time and place of sale, give notice thereof as then required by law and proceed to foreclose this trust deed in the manner provided in ORS 86.740 to 86.795.

13. Should the beneficiary elect to foreclose by advertisement and sale then after default at any time prior to five days before the date set by the trustee for the trustee's sale, the grantor or other person so privileged by ORS 86.760, may pay to the beneficiary or his successors in interest, respectively, the entire amount then due under the terms of the trust deed and the obligation secured thereby (including costs and 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 default occurred, and thereby cure the default, in which event all foreclosure 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 may sell said property either in one parcel or in separate parcels and shall sell the parcel or parcels at auction 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, of the truthfulness thereof. Any person, excluding the trustee, but including the trustee's attorney, may purchase at the sale.

15. When the proceeds of sale to payment of (1) the expenses of sale, including the compensation of the trustee and a reasonable charge for trustee's attorney's fees, (2) the obligation secured by the trust deed, (3) all persons having recorded liens subsequent to the interest of the trustee in the trust deed, is the entire sum now or then due in the order of their priority, and (4) the surplus, if any, to the grantor or to his successor in interest entitled to such surplus.

16. For any reason permitted by law beneficiary may from time to time appoint a successor or successors to any trustee named herein to any conveyance to the beneficiary or trustee. Upon such appointment, and without notice and without any other action, the trustee shall be vested with all title, interest and powers conferred upon any trustee herein named or appointed and the trustee's duties shall be performed by the trustee named or appointed and the trustee named or appointed shall be deemed to be the trustee for all purposes of this trust deed.

17. The trustee's duties shall be performed by the trustee named or appointed and the trustee named or appointed shall be deemed to be the trustee for all purposes of this trust deed.

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NOTE: The Trust Deed is a document that is recorded in the public records of the County of Klamath, Oregon. It is a legal document that creates a trust and is enforceable by the courts of the State of Oregon. The Trust Deed is a document that is recorded in the public records of the County of Klamath, Oregon. It is a legal document that creates a trust and is enforceable by the courts of the State of Oregon. The Trust Deed is a document that is recorded in the public records of the County of Klamath, Oregon. It is a legal document that creates a trust and is enforceable by the courts of the State of Oregon.

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 PROPERTY HEREIN DESCRIBED IS NOT CURRENTLY USED FOR AGRICULTURAL, TIMBER OR GRAZING PURPOSES.

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 the organization, or for the grantor's business or other purposes (see Important Notice below).~~

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 pledgees, of the contract secured hereby, whether or not named as a beneficiary herein. In construing this deed and wherever 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)

TOM W. MAHON

N. ZACK, Ph.D.

Eric Thamlson

STATE OF OREGON)
County of Klamath) ss.

June 2, 1978

Personally appeared Eric Thamlson and acknowledged to me that he was the witness to the signatures of Tom W. Mahon and N. Zack and that they acknowledged the foregoing instrument to be their voluntary act and deed.

Before me:

Charles Breslin
Notary Public for Oregon
My commission expires 9/23/81

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. 881)

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

TOM W MAHON & N ZACK Phd
1722 N SERRANO AVE / #5
HOLLYWOOD CA 90027

Grantor

STERLING F DAVIS &
JOYCE E DAVIS
5202 MAYWOOD AVE
LOS ANGELES CA 90041

Beneficiary

AFTER RECORDING RETURN TO

Charles Breslin
5087 E Kingsgrove Dr.
Camarillo, CA 93010

SPACE RESERVED
FOR
RECORDER'S USE

STATE OF OREGON

County of _____

I certify that the within instrument was received for record on the _____ day of _____, 19____, at _____ o'clock, _____ M., and recorded in book _____ on page _____ or as file/reel number _____.
Record of Mortgages of said County.
Witness my hand and seal of County affixed.

By _____ Deputy

Title

EXHIBIT A

MAHON / ZACK - DAVIS TRUST DEED DATED 15TH DAY OF MAY 1978
 PARTIAL RELEASE AGREEMENT

A PARTIAL RECONVEYANCE FROM THE TRUST DEED WILL BE GIVEN AT ANY TIME REQUESTED AFTER JANUARY 1 1979 ON ANY PARCEL 20 ACRES OR LARGER IN SIZE BASED ON THE FOLLOWING:

- 1) THE GRANTOR SHALL NOT BE IN DEFAULT UNDER THE TERMS OF THE NOTE, TRUST DEED OR PARTIAL RELEASE AGREEMENT.
- 2) THE RELEASE PRICE IS \$325.00 PER ACRE RELEASED.
- 3) RELEASE PRICE MUST BE PAID IN CASH IF RELEASED PARCEL IS SOLD FOR CASH OR TRADED FOR OTHER PROPERTY.
- 4) RELEASE TERMS:
 - a) \$65.00 CASH PER ACRE RELEASED.
 - b) \$3.50 PER ACRE RELEASED OR 2/3 OF THE PAYMENTS COLLECTED, WHICHEVER IS LARGER, SHALL BE PAID BY THE GRANTOR OR THEIR COLLECTION ESCROW OR SERVICE TO THE BENEFICIARY MONTHLY.
 - c) THE SECURITY DOCUMENT SHALL BE ASSIGNED TO THE BENEFICIARY.
- 5) PAYMENTS RECEIVED FOR RELEASE SHALL BE CREDITED TO THE PRINCIPAL DUE UNDER THE TERMS OF THE NOTE.
- 6) RELEASE PAYMENTS ARE IN ADDITION TO PAYMENTS DUE UNDER THE TERMS OF THE NOTE.

STATE OF OREGON; COUNTY OF KLAMATH; ss.

I hereby certify that the within instrument was received and filed for record on the 12th day of June A.D., 19 78 at 11:33 o'clock A M., and duly recorded in Vol. 878 of Mortgages on Page 12450.

FEE \$9.00

WM. D. MILNE, County Clerk

By Bernetha H. Hesch Deputy