

Vol. ^{FM} 78 Page 24264

THIS TRUST DEED, made this 26th day of October, 1978, between
 GEORGE A. PONDELLA, JR., as Grantor
 MOUNTAIN TITLE COMPANY, as Trustee
 and JOAN N. HAYES, as 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:

For this description see attached Exhibit "A" and by this reference made a part hereof.

2017 01 07 1000

together with all and singular the tenements, hereditaments and appurtenances and all other rights thereunto belonging or in anywise by law or otherwise in anywise attaching to or enjoyed by said premises or portion thereof; together with all and singular the rights and advantages in anywise attached to, enjoyed or used by said premises or portion thereof; together with all and singular the covenants, conditions and obligations in anywise affecting said premises or portion thereof; together with all and singular the rents, issues and profits thereof and all fixtures now or hereafter attached to or used in connection with said real estate.

sum of One Thousand Five Hundred 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

October 20, 19 81

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, 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

3. To comply with all laws, ordinances, regulations, covenants, condi-

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

now or hereafter erected on the said premises against loss or damage by fire and such other hazards as the beneficiary may from time to time require, in an amount not less than \$....., written by the company as beneficiary of the beneficiary with one payable to the latter, all policies of insurance shall be delivered to the beneficiary as soon as they are issued, and if the grantor shall fail for any reason to procure 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 shall be entitled to have the amount of the insurance premiums 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 be made upon written 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 and other charges, the beneficiary may, at its option, make payment therefor 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 promisor assumes the responsibility of the payment of the same; the promisor assumes the 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

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.

7.2 To appear in and defend any action or proceeding purporting to affect the security rights or powers of beneficiaries or trustee, and 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 amount of attorney's fees mentioned in this paragraph 7.1 in all cases shall be fixed by the trial court and shall not be subject to appeal or jurisdiction of any appellate court. The trial court, further agrees that 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:

A. In the event that any portion or all of said property shall be taken

under the right of eminent domain or condemnation, b-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 reimburse the beneficiary for the value of the property taken, be paid to the beneficiary. 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 of the beneficiary to the Government, and the balance remaining shall be paid to and expended by the beneficiary in such proceedings, and the balance remaining shall be paid to and expended by the beneficiary in obtaining such compensation and expenses and shall be necessary in obtaining such compensation and expenses and shall be necessary in obtaining such compensation and expenses.

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 reconveyances, for cancellation), without affecting the liability of any person for the payment of the indebtedness, trustee may

(a) consent to thmaking of any map or plat of said property; (b) join in granting any easement or creating any restriction thereon; (c) join in an subordination or other agreement affecting this deed or the lien or charge thereof; (d) reconvey, without warranty, all or any part of the property. This grantee 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 and profits, including those past due and unpaid, and apply the same to the less costs and expenses of operation and collection, including reasonable attorney's fees upon any indebtedness secured hereby, and in such order as beneficiary may deem proper.

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, the beneficiary may, at its option, (a) foreclose this trust deed in accordance with the provisions of the California Foreclosure Law, or (b) sell the real property secured hereby for 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 mortgages on real property. However if said real property is not so currently used, the beneficiary at its election may proceed to foreclose this trust deed in equity as a mortgage on real property. In the event the beneficiary elects to foreclose and sale. In the latter event the beneficiary or the trustee shall execute and cause to be recorded his written notice of default and his election to sell this 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 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 law to foreclose, shall pay to the beneficiary, or to the trustee, as agent, 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 and payable by the beneficiary, and the entire amount so paid, 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 this purchaser its deed in form as required by law conveying the property so sold, but without any covenant or warranty, express or implied. The recitals in the deed of any matters of fact shall be conclusive proof of the truthfulness thereof. Any person, excluding the trustee, but including

15. When trustee sells pursuant to the powers provided herein, trustee shall apply the proceeds of sale to payment of (1) the expenses of sale, including the compensation of the trustee and a reasonable charge by trustee for attorney's fee, to the obligation secured by the trust deed; (2) to all persons entitled to record; and (3) to the interest of the trust in the trust property as such interest may appear 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 as long as permitted by law beneficiary may from time to time appoint a successor or successors to any trustee named herein or to any successor trustee appointed hereunder. Upon such appointment, and without any revocation of the appointment, the beneficiary shall be vested with all the powers and duties conferred upon any trustee herein named in this instrument hereunder. Each such appointment and substitution shall be made by written instrument executed by beneficiary, containing reference to this trust deed and its place of record, which, when recorded in the office of the County Clerk of the County of Santa Clara, shall constitute conclusive proof of proper appointment of the successor trustee.

17. Trustee accepts this trust when this deed, duly executed and acknowledged is made a public record as provided by law. Trustee is not 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 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 the 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.

~~SUSP~~ ~~SUSP~~

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 CLATSOP
October 20, 1978

Personally appeared the above named
George A. Pondella, Jr.

and acknowledged the foregoing instrument to be his voluntary act and deed.
Before me:

(OFFICIAL SEAL)

Sharon Allen
Notary Public for Oregon
My commission expires 10-5-82
NOTARY PUBLIC - OREGON

STATE OF OREGON, County of _____) ss.
19____

Personally appeared _____ 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 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:

(OFFICIAL SEAL)

Notary Public for Oregon
My commission expires: _____

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____

Joan N. Hayes

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.

George A. Pondella, Jr.

Joan N. Hayes

Grantor

Beneficiary

AFTER RECORDING RETURN TO
Winema Real Estate
Box 376
Chiloquin, OR 97624

STATE OF OREGON

County of _____) ss.

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/real number _____, Record of Mortgages of said County.

Witness my hand and seal of County affixed.

Title
By _____ Deputy

DESCRIPTION

24266

Lot 7, Block 3, LONE PINE ON THE SPRAGUE, according to the official plat thereof, on file in the office of the County Clerk of Klamath County, Oregon, TOGETHER WITH an undivided 1/80 interest in and to the following:

A tract of land situated in the SW $\frac{1}{4}$ of Section 11 and the NE $\frac{1}{4}$ of Section 14, all in Township 35 South, Range 9 East of the Willamette Meridian, Klamath County, Oregon, more particularly described as follows:

Beginning at an iron pin on the West line of the SW $\frac{1}{4}$ SE $\frac{1}{4}$ of said Section 11, said point being North 0° 07' 13" West a distance of 71.79 feet from the South $\frac{1}{4}$ corner of said Section 11; thence South 62° 56' 13" East 572.55 feet; thence on the arc of a 130 foot radius curve to the right 24.17 feet; thence South 52° 17' 05" East 440.74 feet; thence on the arc of a 130 foot radius curve to the right 33.42 feet thence South 37° 33' 14" East 141.09 feet; thence on the arc of a 130 foot radius curve to the right 71.41 feet; thence South 06° 04' 53" East 158.13 feet; thence on the arc of a 70 foot radius curve to the left 78.84 feet; thence South 71° 26' 17" East 279.26 feet; thence South 72° 03' 37" East 210.79 feet; thence on the arc of a 130 foot radius curve to the right 129.94 feet; thence South 14° 47' 22" East 269.56 feet; thence South 30° East to the intersection with the thread or centerline of Sprague River; thence Northwesterly along the thread of the Sprague River to its intersection with the West line of the SW $\frac{1}{4}$ SE $\frac{1}{4}$ of said Section 11; thence South 0° 07' 13" East along said West line of the point of beginning.

STATE OF OREGON; COUNTY OF KLAMATH; ss.

Filed for record at request of Mountain Title Co.

on 27th day of October A. D. 1978 at 12:54 clock P.M., and

fully recorded in Vol. M78, of Deeds on Page 24266

Wm D. MILNE, County Clerk

By Bernice A. Helisch

Fee \$9.00

STATE OF OREGON; COUNTY OF KLAMATH; ss.

Filed for record ~~at request of~~

on 3rd day of November A. D. 1978 at 9:29 clock A.M., and

fully recorded in Vol. M78, of Mortgages on Page 24849

Wm D. MILNE, County Clerk

By Bernice A. Helisch

No Fee