

TRUST DEED

Vol. *11*

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1978, between
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:

Lot(s) 36 in Block 3
MOUNTAIN LAKES HOME

_____ in Block 3 of
MOUNTAIN LAKES HOMESITES, according to the official plat
thereof on file in the office of the County Clerk of
Klamath County, Oregon.

together with all and singular the tenements, hereditaments and appurtenances now or hereafter appertaining, and the rents, issues and profits thereof, and the right of redemption 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 Three Thousand and Six Hundred of even date, to be paid by the grantor to the grantee as a final payment of principal and interest, and the rents, issues and profits thereof and all fixtures now or hereafter attached to or used in connection with said real estate.

The above described real property is not currently used for agricultural, timber or grazing purposes.

To protect the security of this trust deed

I, To protect myself and my heirs, assigns and legal representatives, I hereby agree to execute and deliver to the beneficiary, 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 per terms of note, \$19,000.00 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 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, herein, shall become immediately due and payable.

22. 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 and regulations therefor.

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

[illegible]

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 the property before any part of such taxes, assessments and other charges become past due or delinquent and promptly deliver receipt therefor to beneficiary; should the grantor fail to make payment of any taxes, assessments, insurance premiums, liens or other charges payable by grantor, therefor direct payment or providing beneficiary with funds with which to make such payment, beneficiary may, at its option, use the funds with which to make the amount so paid, with interest at the rate set forth in the note secured hereby together with the obligation described in paragraph 7 and the note secured by said trust deed, shall be added to and become a part of the debt secured by this trust deed, and should waiver of any right arising from breach or nonpayment of such taxes, assessments and for such payments, interest as aforesaid, and of the covenants hereunder, as well as the grantor, shall be bound to the extent hereby described, and all such payments shall be bound to the extent hereby described, and the nonpayment thereof shall, at the option of the beneficiary, constitute a breach of this trust deed.

6. To pay all costs, fees and expenses of this trust including the cost of a title search as well as the other costs and expenses of the trustee in connection with or in enforcing this obligation.

and defend any action or proceeding in which the beneficiary or trustee may be involved, including the foreclosure of this trust, and in any suit, trial court and in any appeal from the trial court and in any appeal from the trial court, grantor further agrees to pay all costs and expenses incurred by the beneficiary or trustee's attorney's fees; therefore, if the beneficiary or trustee shall bring such suit or cause such suit to be brought, the beneficiary or trustee shall be liable to pay such sum as the court may deem reasonable as the beneficiary or trustee's attorney's fees on such appeal.

[illegible]

9. At any time and from time to time upon written request of beneficiary (in case of full reconveyances, for cancellation) and the note for payment of its fees and presentation of this deed and the note for acknowledgment of said instrument shall be necessary to take such actions as may be required by the Clerk of said County.

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 subdividing or otherwise agreement affecting this deed or the land therein; (d) join in conveying by deed or otherwise all or any part of the land herein granted in any way, without warranty, to any person or persons who are not fully entitled thereto; and may be described as "the person or persons named herein as grantor," and shall be described as "the person or persons named herein as grantees." The truthfulness of all matters and facts shall be proved by the affidavits of the person or persons named herein as grantors.

10. Upon approval of this paragraph shall hereof, Trustee's fees shall

[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 awards for any taking or damage of the property by any default or notice of release thereof as aforesaid, shall not constitute breach of contract.

[illegible][illegible][illegible]

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, (2) the compensation of the trustee and a reasonable charge by trustee, (3) to all persons whose interests may be subsequent to the interest of the trustee in the trust if any, to the grantor or his heirs, and (4) to the beneficiary, in the following order of priority, excluding the trustee, but including the beneficiary, may purchase at the sale.

5. For any reason permitted by law beneficiary may from time to time appoint a successor or successors to any trustee named herein or to any trustee appointed hereunder. Upon such appointment, and without the need of a new instrument, the trustee so appointed shall take the place of the successor trustee, the latter shall be vested with title, and duties conferred upon any trustee named or appointed by will. Each such appointment and substitution herein named or appointed by beneficiary shall be made by written instrument, which instrument, when executed by beneficiary, shall be filed of record, which

of record, which, containing reference to this trust deed, recorder of the county or counties in which the County Trustee accepts this trust when the successor trustee is situated, and is made a public record as provided by law, executed and to notify any party hereto as provided by law. Trustee is not any action or proceeding in which grantor, beneficiary or trustee party unless such action or proceeding is brought by or against the 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, or a title insurance company authorized to insure title in this state, its subsidiaries, affiliates, agents or branches, or the United States or any agency thereof.

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The grantor covenants and agrees to and with the beneficiary and those claiming under him, that he is law-fully 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.)

STATE OF OREGON,

County of Klamath } ss.

November 21, 1978

Personally appeared the above named

James F. Hodges and Valla M. Hodges

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

(OFFICIAL SEAL)

Notary Public for Oregon

My commission expires: 7-19-82

(ORS 93.490)

STATE OF OREGON, County of _____) ss.

Personally appeared _____, 19____

_____ and 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.

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. 531)

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

Grantor

Beneficiary

AFTER RECORDING RETURN TO

SPACE RESERVED
FOR
RECORDER'S USE

STATE OF OREGON

County of Klamath } ss.

I certify that the within instrument was received for record on the 22nd day of November, 1978, at 9:44 o'clock A.M., and recorded in book M78 on page 26394 or as file/reel number 58782, Record of Mortgages of said County.

Witness my hand and seal of County affixed.

Wm. D. Milne

County Clerk

Title

By Bernard J. Milne Deputy

Fee \$6.00

KCTco milly