

IS

58934

TRUST DEED Vol. 28 Page 26654

TESTED CORRECTLY

THIS TRUST DEED, made this 24th day of November, 1978, between  
Harold L. Hotchkiss and Beverly J. Hotchkiss, as Grantor,  
KLAMATH COUNTY TITLE COMPANY, as Trustee,  
and Edward G. Dore, Jeanne M. Dore and Rose J. Young, as Beneficiary,

WITNESSETH:

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

Lot(s) 39 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 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 Eight Thousand Five Hundred 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

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  
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 \$100,000. The beneficiary may, at its option, require the grantor to  
procure acceptable to the beneficiary with loss payable to the latter; all  
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  
any part thereof, may be released to 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 past due or delinquent and promptly deliver receipts therefor  
to beneficiary; should the grantor fail to make payment of any taxes, assess-  
ments, 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  
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 prop-  
erty hereinafter described, as well as the grantor, shall be bound in the  
event that the amount so paid, with interest, shall be added to the obligation herein  
described, and all such payments shall be immediately due and payable with-  
out notice, 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 this deed as well as the other costs and expenses of the trustee incurred  
in connection with or in enforcing this obligation and trustee's attorney's  
fees and disbursements.

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, in-  
cluding a share of the beneficiary's or trustee's attorney's fees; the  
amount of attorney's fees mentioned in this paragraph 7, in all cases shall be  
fixed 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 as the ap-  
pellate court shall adjudge reasonable as the beneficiary's or trustee's attor-  
ney's fees on any appeal.

8. It is mutually agreed that:

In the event that any portion or all of said property shall be taken  
under the highest eminent domain, or condemnation, beneficiary shall have the  
right, if it so elects, to require that all or any portion of the monies payable  
in 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 beneficiary in such proceedings, shall be paid to beneficiary, in-  
cluding, but not limited to, such proceeds as shall be paid to beneficiary, in-  
cluding in the trial and appellate courts, necessarily paid or incurred by ben-  
eficiary in such proceedings, and the balance applied upon the indebtedness  
secured hereby; and grantor agrees, at its own expense, to take such actions  
and execute such instruments as shall be necessary in obtaining such com-  
pensation, promptly upon beneficiary's request.

9. If at any time and from time to time upon written request of ben-  
eficiary, 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 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  
thereof; (d) reconvey, 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 herein 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 ap-  
pointed by a court, and without regard to the adequacy of any security for  
the indebtedness hereby secured, enter upon and take possession of said prop-  
erty 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,  
less costs and expenses of operation and collection, including reasonable attor-  
ney's fees upon any indebtedness secured hereby, and in such order as ben-  
eficiary 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 ben-  
eficiary at his election may proceed to foreclose this trust deed in equity as a  
mortgage or direct the trustee to foreclose this trust deed by advertisement  
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 the  
said described real property to satisfy the obligations secured hereby, where-  
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 pro-  
vided in ORS 86.740 to 86.755.

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  
ORR 86.760, may pay to the beneficiary or his successors in interest, respec-  
tively, 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 ex-  
ceeding \$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 im-  
plied. 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  
the grantor and beneficiary, may purchase at the sale.

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, in-  
cluding the compensation of the trustee and a reasonable charge by trustee's  
attorney, (2) to the obligation secured by the trust deed, (3) to all persons  
having recorded liens with priority over the interest of the trustee in the trust  
deed as their interests 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 any reason 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  
conveyance to the successor trustee, the latter shall be vested with all title,  
powers and duties conferred upon any trustee herein named or appointed  
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 or Recorder of the county or counties in which the property is situated,  
shall be 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 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, 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.

300222

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.)

*Beverly J. Hotchkiss*  
*Harold L. Hotchkiss*

STATE OF OREGON,  
County of Klamath } ss.  
Nov 21, 19 78  
Personally appeared the above named  
Harold L. Hotchkiss and  
Beverly J. Hotchkiss

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 \_\_\_\_\_

and acknowledged the foregoing instrument to be their voluntary act and deed.  
Before me:  
(OFFICIAL SEAL)  
*[Signature]*  
Notary Public for Oregon  
My commission expires: 11-19-82

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 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. 881)  
STEVENS-NESS LAW PUBL. CO., PORTLAND, ORE.

Dore & Young

Grantor

Hotchkiss

Beneficiary

AFTER RECORDING RETURN TO

Klamath County Title Co.  
attention: Milly

STATE OF OREGON

County of Klamath } ss.

I certify that the within instrument was received for record on the  
27th day of November, 19 78,  
at 3:22 o'clock P.M., and recorded  
in book M78 on page 26654 or  
as file/reel number 58934

Record of Mortgages of said County.

Witness my hand and seal of County affixed.

Wm. D. Milne

County Clerk

By *[Signature]* Title  
Deputy