

TRUST DEED

Vol. *M-78* Page **26260**

and Edward C. 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) 23 in Block 5 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 Three Thousand and Two 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 per terms of note, 19.....

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 to 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 \$ N/A, written in

an apportionment of the proceeds of the insurance policy, shall be acceptable to the beneficiary, with loss payable to the latter; all proceeds 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 hereunto placed, the beneficiary shall be deemed to have accepted the same, and the grantor's expense. The amount of any such policy of insurance, any line 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

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 premises, together with any part of such taxes, assessments and other

against said property before any part of such taxes, assessments and other charges become past due or delinquent and promptly deliver receipts therefor to the beneficiary; should the grantor fail to make payment of any taxes, assessments, insurance premiums or other charges payable by grantor, either by making payment or by providing beneficiary with funds with which to make such payment, beneficiary may, at its option, make payment therefor, 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 principal of the trust deed without further notice and for such payments, with interest as aforesaid, the property hereinbefore described, as well as the grantor, shall be bound to the same extent that they are bound for the payment of the obligation hereinbefore described, and all such payments shall be immediately due and payable without notice and the nonpayment of any such payments by the beneficiary, together with the principal of the trust deed immediately due and payable and the interest thereon, shall be a breach of this trust deed.

6. To pay all costs, fees and expenses of this trust including the cost of this 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

2. To accept in and defend any action or proceeding purporting to assert the security rights or powers of beneficiary or trustee and in any suit or action to enforce the terms of this deed, to pay all costs and expenses incurred for the foreclosure of this deed, to pay all costs and expenses, including expenses of title and the beneficiary's or trustee's attorney's fees, the disbursement of the proceeds of the sale of the property, and the payment of the principal and interest on the debt secured by this deed, 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 may determine to be reasonable as the beneficiary's or trustee's attorney's fees and costs in such appeal.

It is mutually agreed that:

At any time, and at any 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, 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 incurred by beneficiary in such proceedings, shall be paid to beneficiary and not to the trust, and that if it so elects, it shall have the right to incur and pay all such 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 grantor agrees, at its own expense, to execute and execute such instruments as may be necessary in obtaining such compensation and to execute such instruments as may be necessary in obtaining such compensation.

(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) reconvey, without warranty, all or any part of the property. The grantee in any reconveyance may be described as "trustee" or "trustee(s)" and shall be conclusively presumed to be the trustee or trustees of the trust. The signature of the grantee 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 \$500.

10. Upon any default by grantor hereunder, beneficiary may at any time cause the property hereinabove described to be sold 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, less costs and expenses of operation and collection, including reasonable attorney's fees, to the satisfaction of the indebtedness hereby, and in such order as beneficiary 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 notice by grantor in payment of any indebtedness secured by the preference of any agent 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. 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 mortgage or direct the trustee to foreclose this trust deed by advertisement and sale. In the latter event the beneficiary or the trustee shall sell the real property and the proceeds of the sale shall be applied to satisfy the 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 by law.

vided in ORS 86.740 to 86.795.

13. Should the beneficiary elect to foreclose by advertisement and sale when after default of the principal or 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, including the entire amount of principal and interest then incurred in entering 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 be due had no default occurred, and thereby cure the default, in which event

14. Otherwise, the sale shall be held on the date and at the time and place designated in the notice of sale, and the trustee shall, at the time and place designated in the notice of sale, receive and accept bids and 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. The recitals in the deed of any matters of fact shall constitute the truth thereof. Any deed of the trustee, but including the transfer and beneficiary, any 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, including the compensation of the trustee and any reasonable charge by trustee's attorney, (2) to the obligations secured by the trust deed, (3) to all persons having recorded liens in the interest of the trustee in the trust property, (4) to the obligations secured by the interest of the trustee in the trust deed as their 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.

146. For any reason permitted by law, beneficiary, now, 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. The appointment of a successor trustee shall be made by a 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 evidence of the appointment of the successor trustee.

147. 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 connection with any other deed of trust. The recording of this deed, and the recording of this deed, is a privity of trust.

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.

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 Klamath

November 28, 1978

Personally appeared the above named

Barbara L. Jones and Lonnie M. Jones, Jr.

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

(OFFICIAL SEAL)

Before me,

Notary Public for Oregon

My commission expires: 7/19/82

STATE OF OREGON, County of _____) ss.

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Personally appeared _____ 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.

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

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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.

Grantor

Beneficiary

AFTER RECORDING RETURN TO

KCT CO

A. T. M. Melly

SPACE RESERVED

FOR

RECORDER'S USE

STATE OF OREGON

County of Klamath

I certify that the within instrument was received for record on the 28th day of November, 1978, at 10:28 o'clock A.M., and recorded in book M-78 on page 26706 or as file/reel number 58967.

Record of Mortgages of said County.

Witness my hand and seal of County affixed.

M. D. Milne

By _____ Title
Deputy

Fee \$6.00