

TRUST DEED

Vol. 79 Page 27819

THIS TRUST DEED, made this 24 day of November, 1979, between Dennis I. Kline and Edna S. Kline, husband and wife, United States National Bank of Oregon, and Oren M. Zipse and Jo Ann Zipse, husband and wife, as Grantor, as Trustee, as Beneficiary,

WITNESSETH: Grantor irrevocably grants, bargains, and conveys to trustee in trust, with power of sale, the property in Klamath County, Oregon, described as: Lot One (1), Block Six (6), Jack Pine Village, according to the official plat thereof on file with the County Clerk of Klamath County, Oregon.

Subject, however, to the following:
1. Contracts, water rights, proceedings, taxes, and assessments relating to irrigation, drainage, and/or reclamation of said lands; and all rights of way for roads, ditches, canals, and conduits, if any there may be.
2. Building and Use Restrictions for Jack Pine Village recorded May 23, 1969, Volume M69 page 3870, Microfilm records of Klamath County, Oregon.
3. Right of way Easements, including the terms and provisions thereof, given by Betty Jane Ahern to Midstate Electric Cooperative, Inc., a cooperative corporation, dated May 19, 1969, recorded May 22, 1969, Volume M69 page 3857, and recorded May 27, 1969, Volume M69, page 3955, Microfilm records of Klamath County, Oregon.
4. Reservations and restrictions contained in the dedication and shown on the plat of Jack Pine Village 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 Seven thousand and no/100

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 and such other hazards as the beneficiary may from time to time require, in an amount not less than \$100,000 insurable value.

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 the beneficiary. If the grantor fails 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 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 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 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, 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 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, 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, in all cases shall be fixed by the trial court; grantor further agrees to pay such sum as the appellate court shall adjudicate 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, 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 grantor in such proceedings, shall be paid to beneficiary and not to the trial court; and in the event of an appeal from the trial court, the beneficiary shall be entitled to the same amount as the trial court shall adjudicate reasonable as the beneficiary's or trustee's attorney's fees on such appeal.

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 (for 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 any granting any easement or creating any restriction thereon; (c) join in any subordination or other adverse affecting this deed or the lien or charge thereon; (d) reconvey, without warranty, all or any part of the property 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, do any of the following: (a) take possession of the property, or any part thereof, in its own name and take possession of said property, issues and profits, including those paid due and unpaid, and apply the same, 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 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 foreclosure. However if said real property is not so currently used, the beneficiary at his election may elect to foreclose this trust deed by advertisement and sale. In the latter event the beneficiary or the trustee shall execute and record a notice of default and the trustee shall execute and record a notice of sale to satisfy the obligations secured hereby, where 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 of sale, 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 priority, respectively, the entire amount then due under the terms of the trust deed and the obligation secured thereby (including all costs and expenses actually incurred in enforcing the terms of the obligation and trustee's and attorney's fees not exceeding \$500 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 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 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, including the commission of the trustee and a reasonable charge for the trustee's attorney, (2) the indebtedness secured by the trust deed, (3) to all persons having recorded liens subsequent to the interest of the trustee in the trust deed, 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.

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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, 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, execu-
tors, 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 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: Delets, 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 Clatsop
November 24, 1979

Personally appeared the above named Dennis I. Kline and Edna S. Kline, husband and wife,

and acknowledged the foregoing instru-
ment to be their voluntary act and deed.

Before me:
Clyde F. Garrett, Jr.
Notary Public for Oregon
My commission expires: Aug 7, 1982

OFFICIAL SEAL
CLYDE F. GARRETT, JR.
NOTARY PUBLIC - OREGON
ORANGE COUNTY
My comm. expires AUG 7, 1982

STATE OF OREGON
County of Clatsop
November 24, 1979

Personally appeared Dennis I. Kline and Edna S. Kline, 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 that the seal affixed to the foregoing instrument is the corporate seal
of said corporation and that said instrument was signed and sealed in be-
half 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:
Clyde F. Garrett, Jr.
Notary Public for Oregon
My commission expires: Aug 7, 1982

OFFICIAL SEAL
CLYDE F. GARRETT, JR.
NOTARY PUBLIC - OREGON
ORANGE COUNTY
My comm. expires AUG 7, 1982

TO: Trustee

The undersigned is the legal owner and holder of all indebtedness secured by the foregoing trust deed. All sums secured by said
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 Beneficiary

DATED: November 24, 1979

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.

Grantor
Beneficiary

AFTER RECORDING RETURN TO
Clatsop County

STATE OF OREGON
County of Klamath
I certify that the within instru-
ment was recorded for record on the
30th day of November, 1979,
at 12:05 o'clock P.M., and recorded
in book M79 on page 27819
as file/reel number 77499
Record of Mortgages of said County.
Witness my hand and seal of
County affixed
Wm. D. Milne
County Clerk
By Bernetha H. Hitch Deputy
Title