

TS

1987

TRUST DEED

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THIS TRUST DEED, made this 14th day of MARCH, 1987, between ROY R. SMITH and AUDREY J. SMITH, as Grantor, D. L. HOOTS, as Trustee, and CORA L. GORDINHO, 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:

A portion of Tract 22, GIENGER'S HOME TRACTS, in the County of Klamath, State of Oregon, more particularly described as follows:

Beginning at a 3/4 inch iron pin marking the intersection of the Easterly right of way line of Hope Street and the Northerly right of way line of Hilyard Avenue; thence North, along said Easterly right of way line, 80.00 feet to a 1/2 inch iron pin; thence North 89°30' East 172.77 feet to a 1/2 inch iron pin; thence South 00°30' East 80.00 feet to a 1/2 inch iron pin on said Northerly right of way line of Hilyard Avenue; thence South 89°30' West 173.50 feet to the point of beginning.

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 Nine Thousand five hundred fifty 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 MARCH 1, 1981.

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 to repair, or to remove or demolish any building or improvement thereon, not to encumber 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 thereon.

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 title 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 \$ actual value.

5. To procure, maintain and pay for the beneficiary, with loss payable to the latter, all policies of insurance to be delivered to the beneficiary as soon as required, 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 building, 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 constitute any default or notice of default hereunder or invalidate any act done pursuant to such notice.

6. 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 are due or payable, and promptly deliver receipts therefor to beneficiary. Should the grantor fail 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 hereunder described, as well as the grantor, shall be bound to the same extent that the grantor and the trustee of the obligation hereunder 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 immediately due and payable and constitute a breach of this trust deed.

7. 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 carrying out its duties, and in enforcing this obligation and trustee's attorney's fees, actually incurred.

8. To appear in and defend any action or proceeding purporting to impair the security rights or powers of beneficiary or trustee, and in any such action or proceeding, in which the beneficiary or trustee may appear, including any suit for the foreclosure of the deed to pay all costs and expenses, including expenses of title and the beneficiary's or trustee's attorney's fees, the cost of all services by mentioned in this paragraph 7, in all cases shall be paid by the trust, but 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 appraiser or court shall determine to be reasonable as the beneficiary's or trustee's attorney's fees, and such appeal.

It is mutually agreed that:

1. In the event that any portion or all of said property shall be taken in foreclosure by a mortgagee, or in condemnation, beneficiary shall have the right to appear in such proceedings to require that all or any portion of the monies payable by the mortgagee or condemnor, which are in excess of the amount required to pay all such costs, expenses and attorney's fees, necessarily paid or incurred by beneficiary, and all such proceedings shall be paid to beneficiary and not to the trust, and that 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 secured hereby and grantor agrees, at its own expense, to take such actions and execute such instruments as shall be necessary in obtaining such condemnation or foreclosure proceeds from beneficiary's request.

2. 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 or endorsement on case of full reconveyance, 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 executing any consent or creating any restriction thereon; (c) join in any modification or other agreement affecting this deed or the lien or charge thereof; (d) reconvey, without warranty, all or any part of the property. The number 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, 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 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, 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 any 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 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 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, whereupon the trustee shall, by 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 86.743 to 86.745.

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 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 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 \$20 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 implied. The recitals of the deed or 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, including 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 subsequent to the interest of the trustee in the trust and (4) as then permitted may appear in the order of their priority; and (5) 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.

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:
 (1) primarily for grantor's personal, family, household or agricultural purposes (see Important Notice below),
 (2) ~~for or 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.)

Roy R. Smith
 ROY R. SMITH

Audrey J. Smith
 AUDREY J. SMITH

STATE OF OREGON,
 County of KLAMATH } ss.
March 14, 19 80
 Personally appeared the above named

ROY R. SMITH & AUDREY J. SMITH

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

(OFFICIAL SEAL)

Notary Public for Oregon

My commission expires: 3-22-81

(ORS 63.490)

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

Personally appeared _____

and

each for himself and not one for the other, did say that the former is the _____ who, being duly sworn, 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 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)

TRUST DEED

(FORM No. 881)

Grantor

Beneficiary

STATE OF OREGON

County of Klamath } ss.

I certify that the within instrument was received for record on the 17 day of March, 19 80, at 12:00 o'clock PM, and recorded in book 1339 on page 1984 or as file number 11567 Record of Mortgages of said County.

Witness my hand and seal of County affixed.

County Clerk

Title

By Bernice A. DeLoach Deputy

Fee \$1.00

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

T/A - See 60th Office