

TN-1

4512A

TRUST DEED

Vol. WJSD Page 1015.4

THIS TRUST DEED, made this 12th day of May, 1980, between

JOHN R. WELLS and MARIE E. WELLS

as Grantor, _____ ROBERT THOMAS.

as Beneficiary. WINEMA PENINSULA INC.

WITNESSETH:

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

Lot 4 in Block 9, TRACT NO. 1019, WINEMA PENINSULA - UNIT NO. 2, 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 upon the premises with said real estate.

FOR THE PURPOSE OF SECURING PERFORMANCE OF each agreement of grantor herein contained and payment of the sum of Five Thousand-Five Hundred-Ninety Three and 00/100-----

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 May 12 1903

not sooner paid, to be due and payable May 12, 1991, for the payment of principal and interest hereof, if
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.
The above described real property is

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, rules and regulations of the City of New York, State of New York and Federal Government, and to obtain and maintain all necessary permits, licenses and approvals from the appropriate authorities.

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 companies acceptable to the beneficiary, with loss payable to the latter; all policies of insurance shall be delivered to the beneficiary as insured; the grantor shall fail for any reason to procure any such insurance insured; deliver the policies to the beneficiary at least fifteen days prior to the expiration of any policy; insure or re-insure 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 may be determined by beneficiary, 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.

act done pursuant to such notice.

5. To keep said premises free from construction liens and to pay all taxes, ad valorem and other charges that may be levied or assessed upon or charges become past due or delinquent and promptly deliver receipts therefor to beneficiary; should the grantor fail to make such payments, either 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 of such interest at the rate set forth in the note secured hereby, together with the obligation 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 any of the covenants hereof and for such payments, with interest as aforesaid, any of the beneficiaries hereunder described, as well as the grantor, shall be bound to the same extent, and all such payments shall be immediately due and payable without notice, and the nonpayment thereof shall, at the option of the beneficiary, render all sums secured by this trust deed immediately due and payable and constitute a breach of this trust deed.

6. As to 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 and attorney's fees actually incurred.

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 and attorney's fees actually incurred.

attorney's fees actually incurred. To answer in the affirmative, the court stated that the deed "affects the security rights or powers of beneficiary or trustee, and in any such action or proceeding in which the beneficiary or trustee, and in any such action or suit for the foreclosure of this deed, to pay all costs and expenses, including attorney's fees, of the beneficiary's or trustee's attorney's fees; the amount of attorney's fees mentioned in paragraph 7 in all cases shall be fixed by the trial court and in the event of an appeal, the judgment or decree of the trial court, grantor further agrees to pay such sum as the court may deem reasonable as the beneficiary or trustee's attorney's fees on such appeal."

It is mutually agreed that:

It is mutually agreed that: (a) In the event that any portion of all 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 as compensation for such taking, which are in excess of the reasonable costs, expenses and attorney's fees necessarily paid or incurred by beneficiary in connection with such proceedings, shall be paid to beneficiary and applied by it first upon any reasonable claims, shall be paid to beneficiary and both in the trial and appellate courts, necessarily paid or incurred by attorney's fees, and costs of such proceedings, and the balance applied upon the indebtedness secured hereby; and (b) beneficiary shall be authorized to incur its own expense, to take such actions and execute such instruments as shall be necessary in obtaining such compensation, promptly upon beneficiary's request.

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 (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 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 grantee 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 \$5.00.

10. Notwithstanding any default by grantor hereunder, beneficiary may at any time without notice to any person, by agent or by a receiver to be appointed by a court, and without recourse 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 for and collect the rents, profits and proceeds, including those past due and unpaid, and the rents, profits and proceeds 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 the performance of any agreement hereunder, the beneficiary may declare all sums due and hereby immediately due and payable. In such an event the beneficiary shall have the right to proceed to foreclose this trust deed in equity as a mortgage or direct the trustee to foreclose this trust deed advertisement and sale. In the latter event the beneficiary or the trustee shall cause to be recorded his written notice of default and the trustee shall to sell the 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 to foreclose this trust deed in the manner provided in ORS 86.740 to 86.795.

[illegible]

14. Otherwise, the sale shall be held on the date and at the time and place designated in the notice of sale or the time to which said sale may be postponed as provided by law. The trustee may sell said property either in one or in separate parcels and shall sell the parcel or parcels at auction to the highest bidder, payable at the time of sale. Trustee shall deliver to the purchaser its deed. The sale by law conveying property so sold, but without any covenant or warranty, shall be a valid and proper sale of any matters of fact shall be conclusive proof of the truthfulness thereof. And the signature of 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) the obligation secured by the Trust deed, (3) to all persons having recorded liens subsequent to the interest of the trustee in the Trust subject 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 the 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 appointed trustee, the latter shall be vested with all title, powers and duties conferred upon the 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 Clerk of the county of the county or counties in which the property is situated. Such instrument 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, the United States or any agency thereof, or an escrow agent licensed under ORS 696.505 to 696.525.

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 as 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, or is not to finance the purchase of a dwelling use Stevens-Ness Form No. 1306, or equivalent. If compliance with the Act is 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

May 30

19 80

Personally appeared the above named

John R. Wells and Marie E. Wells

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

Before me:

(OFFICIAL SEAL)

Notary Public for Oregon

My commission expires: 3-27-82

STATE OF OREGON, County of) ss.

Personally appeared

and

duly sworn, 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 the 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

(OFFICIAL SEAL)

My commission expires:

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. 881-1)

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

John R. Wells

Marie E. Wells

Grantor

Winema Peninsula Inc.

Beneficiary

AFTER RECORDING RETURN TO

SPACE RESERVED

FOR

RECORDER'S USE

STATE OF OREGON,) ss.
County of Klamath

I certify that the within instrument was received for record on the 4th day of June, 19 80, at 3:00 o'clock P.M., and recorded in book/reel/volume No. M80 on page 10154 or as document/fee/file/instrument/microfilm No. 85128. Record of Mortgages of said County.

Witness my hand and seal of County affixed.

Wm. D. Milne

By Bernice H. Helicks Deputy

Fee \$7.00