

DEC 21 '00

# TRUTH

95314

## TRUST DEED

30th.....day of

January 1981, between

THIS TRUST DEED, HAS  
I ALAN HOLZGANG

as Grantor, FRONTIER TITLE & ESCROW CO.  
ROBERT OLAF EASTMAN and HATTIE JUANITA EASTMAN, husband and wife,  
as Beneficiary,

**WITNESSETH:**

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:

Lot 9, Block 9, as shown on the map entitled "FAIRVIEW  
ADDITION NO. 2", according to the official plat thereof  
on file in the records 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 Thirty Eight Thousand Nine Hundred and No/100ths (\$38,900.00) Dollars, with interest thereon according to the terms of a promissory note of principal and interest hereof, it

sum of Thirty Eight Thousand Nine Hundred and No/100ths (\$38,000.00) 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 February 1, 2011 at the date secured by this instrument is the date, stated above, on which the final installment of said note

The date of maturity of the debt secured by this mortgage becomes due and payable.

To protect the security of this trust deed, grantor agrees:

To protect the security of this trust deed, grantor hereby covenants and agrees that:

1. To protect, preserve and maintain said property in good condition and repair; not to remove or demolish any building or improvement thereon; and 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

[illegible]

5. To keep said premises free from construction liens and to pay a taxes, assessments and other charges that may be levied or assessed upon a said property before any part of said taxes, assessments and other

against said property before any payment and promptly deliver receipts therefor to the grantor. The grantor shall be obligated to pay all taxes, assessments and charges become past due or become due on the property, including but not limited to: beneficiary; should the grantor fail to make payment of any taxes, assessments, liens, mortgages, insurance premiums, liens or other charges payable by the grantor, either by direct payment or by providing beneficiary with the funds with which to make such payment, beneficiary may, at the option of the grantor, make such payment, and the amount so paid, with interest at the rate set forth in the note securing the debt, shall be added to and become a part of the debt secured by the trust deed; and the amount so paid, with interest as described in paragraphs 6 and 7 hereof, together with any additions to and become a part of the debt secured by the trust deed; shall without waiver of any rights arising from the aforesaid, the property covered hereof and for such payments, the grantor, shall be bound to and shall be obligated to pay to the beneficiary, for the payment of the obligation hereof, hereinafter described, as well as for the payment of the obligation hereof to the same extent that they are for the payments shall be immediately due and payable hereunder, and all such nonpayment thereof shall, at the option of the beneficiary, constitute a breach of this trust deed, and the nonpayment shall be immediately due and payable to the lender of the sums secured by this trust deed immediately due and payable to the lender of the sums secured by 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 and 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 action or proceeding in the enforcement of this deed, to pay, all costs and expenses, any suit for the enforcement of title and the beneficiary's or trustee's attorney's fees; 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 and in the event of an appeal from any judgment of the trial court, grantor further agrees to pay such sum as the appellate court shall adjudge reasonable as the beneficiary's or trustee's attorney's fees on such appeal.

It is mutually agreed that:

**It is mutually agreed that:**

8. In the event that any portion or all of said property shall have been 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 amount required to pay all reasonable costs, expenses and attorney's fees necessarily paid or incurred by grantor in such proceedings, shall be paid to beneficiary and applied by it first upon any reasonable costs and expenses and attorney's fees, applied by the trial and appellate courts, and thereafter to the indebtedness of beneficiary in such proceedings, and the balance applied upon the indebtedness secured hereby; and grantor agrees, at its own expense, to take such action as may be necessary to carry out the intent of this agreement, and to execute such instruments as shall be necessary in obtaining such monies; and beneficiary shall execute such instruments upon written request of beneficiary.

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 any granting any easement or creating any restriction thereon; (c) join in any subordination or other agreement affecting this deed or the title or charge subsisting thereon; (d) reconvey, without warranty, all of the property of the grantor thereof; (e) reconvey, without warranty, all of the property of the person or persons entitled to the same; (f) execute any deed or instrument described as the "person or persons entitled to the same" in any reconveyance map or recitals therein of any matters or facts shall be conclusively proof of the truthfulness thereof. Trustee's fees for any of the above shall be as set forth in the schedule of fees attached hereto. The cost of this deed shall be the responsibility of the grantor. The cost of this deed 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 provided by grantor, enter upon and take possession of said property for the indebtedness hereby secured, enter upon and otherwise collect the rents, issues and any profits therefrom, to its own name and apply the same, after deducting its costs and expenses of operation and collection, including reasonable attorney's fees, toward 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 event the beneficiary at his election may proceed to foreclose this trust deed in equity as a mortgage. In the latter event the beneficiary at the trustee shall advertise the same to be recorded his written notice of default and his election to execute and cause to be recorded his written notice of the obligations secured to 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 in ORS 86.740 to be foreclosed by advertisement and sale.

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 law to convey to the beneficiary or his successors in interest, respectively, the property to the beneficiary or his successors in interest, respectively, in the manner provided in ORS 86.740 to 86.795.

then arising from the trustee's sale, the grantor or grantor's successors in interest, respectively, shall be obligated to pay to the beneficiary the sum of \$86,760, may pay to the beneficiary on or before the terms of the trust deed and the promissory note, respectively, the entire amount then due (including costs and expenses actually incurred in the enforcement of the beneficiary's obligation and trustee's and attorney's fees, not exceeding the terms of the obligation provided by law) 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 court.

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 parcels or in bulk, and may sell parcels and shall sell the parcel or parcels as may be designated in the notice of sale. Trustee

place designated as provided by law. The trustee may sell the parcel or parcels in one or more parcels or in separate parcels and shall sell the parcel or parcels in auction to the highest bidder for cash, payable on or before the time of sale. Trustee shall deliver to the purchaser its deed in covenant or warranty, express or implied, of the property so sold, but without 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, (2) the compensation of the trustee, (3) the expenses of the trustee, (4) the attorney, (5) the obligation secured by the trust deed, (6) to all persons or having recorded liens subsequent to the interest of the trustee in the trust deed as their interests may appear in the order of their priority and (7) 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 or delivery by the donor, the latter shall be vested with all the powers and duties conferred upon any trustee herein and may by will hereunder make any substitution or substitutions named with reference to this trust instrument executed by beneficiary, containing reference to the office of the County Clerk and its place of record, which, when recorded in the office of the County Clerk or Recorder of the county, shall constitute the 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 obligated to notify any party hereto of pending sale under any other deed in 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 696.585.

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. Property subject to Mortgage, dated October 10, 1980, recorded October 17, 1980, Vol. M80, page 20238, Klamath County, wherein Robert O. Eastman & Hattie J. Eastman are Mortgagors, and United States National Bank is Mortgagee, which Mortgage shall be paid by Beneficiaries herein. and that he will warrant and forever defend the same against all persons whomsoever.

It is agreed by the parties that this Trust Deed shall not be sold, transferred or assigned by Grantor without the express written consent of Beneficiaries. Such consent shall not be unreasonably withheld.

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 } ss.  
January 30, 19 81

Personally appeared the above named  
J. ALAN HOLZGANG

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

(OFFICIAL SEAL)

Notary Public for Oregon

My commission expires: 8-23-81

STATE OF OREGON, County of \_\_\_\_\_ ) ss.  
\_\_\_\_\_, 19\_\_\_\_.

Personally appeared \_\_\_\_\_ and  
\_\_\_\_\_, who, each being first  
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

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. 881-1)

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

STATE OF OREGON, }  
County of Klamath } ss.

I certify that the within instrument was received for record on the 30th day of January, 1981, at 4:05 o'clock P.M., and recorded in book/reel/volume No. M-81 on page 1509 or as document/fee/file/instrument/microfilm No. 95314, Record of Mortgages of said County.

Witness my hand and seal of County affixed.

Evelyn Biehn - County Clerk

By Jacqueline J. Metter Deputy

Fee \$7.00

Frontier Title

02373