

TS

97405

Vol. 178, Page 5068

THIS TRUST DEED, made this

## TRUST DEED

19th

day of

March

, 1981 , between

John Noble Rannells  
Mountain Title Company  
Margaret E. Larsen

, as Grantor,

, as Trustee,

, as Beneficiary,

and

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

Lots 1 and 2, Block 6, CRES-DEL ACRES SECOND ADDITION, situated in the NW1/4 of Section 7, Township 24 South, Range 7 East of the Willamette Meridian, Klamath County, Oregon.

LAW OFFICES OF LINDNER &amp; DURR

ATTALY OREGON

to the best of my knowledge, the above described property is free from all liens, encumbrances, taxes, assessments, claims, charges, debts, expenses, costs, or obligations of any kind, except as set forth in this instrument, and I have no knowledge of any such liens, encumbrances, taxes, assessments, claims, charges, debts, expenses, costs, or obligations of any kind, which may be or become attached to or otherwise affect the property, except as set forth in this instrument.

FOR THE PURPOSE OF SECURING PERFORMANCE of each agreement of grantor herein contained and payment of the sum of **Twelve Thousand and No/100's (\$12,000.00)** 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 21, 1986. 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, or herein, shall become immediately due and payable. See Exhibit B attached hereto.

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 a 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 requires, 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 fees incurred made by filing officers or searching agencies as may be deemed desirable by the beneficiary.

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 \$ 0.00, written in companies acceptable to the beneficiary, with loss payable to the latter; all policies 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 or hereafter placed on said buildings, the beneficiary may procure the same at grantor's expense. The amount collected under any life 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 act done pursuant to such notice.

4. To keep and maintain premises free from construction fees 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 thereto to beneficiary; should the grantor fail to make payment of any taxes, assessments, insurance premiums, fees 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 recited 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 herein and for such payments, with interest as aforesaid, the just entry hereinafter described, and, if well-ascertained, the grantor shall be bound to the same extent that they are known; 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.

5. 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 suit, action or proceeding in which the beneficiary or trustee may appear, 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:

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 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 all 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 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 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 subdivision or other agreement affecting this deed or the lien or charge thereto; (c) convey, without warranty, all or any part of the property. The grantor in any conveyance may be described as the "person or persons legally entitled thereto," and the rentals thereon of any matters or facts shall be conclusive proof of the truthfulness thereof. Trustee's fee for any of the services mentioned in this paragraph shall not be 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 or in another's behalf, the rents, issues and profits, including those just 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 or in 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 option, 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 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 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 set by the trustee for the trustee's sale, the grantor or other person so provided 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 expense, actually incurred in reducing the term of the obligation and trustee's and attorney's fees not exceeding \$50 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 discharged 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, cash, payable at the time of sale. Trustee shall deliver to the purchaser(s) 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 matter 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 deed 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 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 except as set forth in Exhibit A attached hereto and by this reference incorporated herein.

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, intres 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 Lane

31/19, 1981

Personally appeared the above named  
John Noble Rannells

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

Before me,

*A Ringdorp*

Notary Public for Oregon  
My commission expires: 9-4-83  
NOTARY  
My Commission Expires

(OFFICIAL SEAL)

STATE OF OREGON, County of

ss.

Personally appeared

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

, a corporation,  
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)

TO: Mountain Title Company

Trustee

REQUEST FOR FULL RECONVEYANCE

To be used only when obligations have been paid.

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 John Noble Rannells, 2257 Iron Wood, Eugene, Oregon 97401.

DATED:

1981.

Margaret E. Larsen, 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.

John Noble Rannells  
2257 Iron Wood  
Eugene, Or. 97401

Grantor

Beneficiary

AFTER RECORDING RETURN TO

*M. J. S.*

STATE OF OREGON

County of

I certify that the within instrument was received for record on the day of , 19

at o'clock M., and recorded in book on page or as file/reel number.

Record of Mortgages of said County.

Witness my hand and seal of County affixed.

Title

By *M. J. S.* putty

2008

EXHIBIT A

5670

1. Reservations as contained in plat dedication, to wit:  
"(1) A 16 foot easement along the river and centered on lot lines between Lots 1 and 8 and Lots 12 and 13 of Block 3 to provide access to river, (2) A 50 foot easement along Easterly side of all lots abutting on Oregon Highway No. 58 to provide for construction of future road, (3) A 16 foot utility easement along side of lots abutting on Karen Way and centered on all lines between lots, (4) Additional restrictions as provided in recorded protective covenants."
2. Restrictions as contained in Deed to George V. Larsen and Margaret E. Larsen recorded in Volume M68, page 10269, Microfilm Records of Klamath County, Oregon, including but not limited to the following:
  1. Animals will be restricted to household pets. No cows, pigs, chickens, ducks or goats. Three horses per lot maximum.
  2. Buildings shall be constructed in a workmanlike manner and comply with state and county building codes.
  3. Any trailer used as a permanent residence shall have a retail value of \$1500 or more when installed.
  4. Businesses shall be restricted to lots having highway frontage only.
  5. All lot owners shall be responsible for maintaining their lots free of trash and refuse at all times.
  6. No tents shall be used as dwellings on the property."

**5071**

EXHIBIT B

Seller does hereby consent to the assignment by the Purchaser of part of his interest in this agreement and the subject property to John Franklin Lee and Wayne Hart Sanders, but Purchaser shall continue to be liable hereunder.

Future consent shall not be unreasonably withheld. Grantor acknowledges that an application for a septic tank permit has been denied by the Oregon State Department of Environmental Quality.

**STATE OF OREGON; COUNTY OF KLAMATH; ss.**

Filed for record at request of Mountain TitleCo.

this 20th day of March A.D. 1981 at 11:22 o'clock A.M., and  
duly recorded in Vol. M81, of Mortgages on Page 5069,

By EVELYN BIEHN, County Clerk  
Bernetha M. Deloch

Fee \$14.00