

TRUST DEED

Vol. M 81 Page 7508

THIS TRUST DEED, made this 27 day of April, 1981, between  
JAMES C. MITCHELL and JILL E. MITCHELL, husband and wife,  
 as Grantor, KLAMATH FIRST FEDERAL SAVINGS & LOAN ASSOCIATION,  
CLARENCE S. USSELMAN and DORIS L. USSELMAN, husband and wife,  
 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 Lots 11 and 12, Block 3, Altamont Acres, described as:  
 Beginning at a point 75 feet East of the Southwest corner of Lot 11,  
 Block 3, Altamont Acres; thence East along the South line of Lot 11,  
 11, 75 feet; thence North and at right angles to said South line of Lot  
 11, 217.6 feet to the North line of Lot 12 in Block 3, Altamont Acres,  
 thence West along the North line of Lot 12 in Block 3, Altamont Acres,  
 a distance of 75 feet; thence South 217.6 feet to the place of begin-  
 ning. EXCEPTING THEREFROM the South 5 feet thereof deeded to Klamath  
 County for road purposes by deed book 329 at page 589.

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 connec-  
 tion with said real estate.

FOR THE PURPOSE OF SECURING PERFORMANCE of each agreement of grantor herein contained and payment of the  
 sum of Twelve Thousand Seven Hundred and No/100ths (\$12,700.00) DOLLARS

note of even date herewith, payable to beneficiary or order and made by grantor, the final payment according to the terms of a promissory  
 not sooner paid, to be due and payable April 27, 1989.  
 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 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, condi-  
 tions and restrictions affecting said property; if the beneficiary so requests, to  
 join in executing such financing statements pursuant to the Uniform Commer-  
 cial 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  
 an amount not less than Full ins. value, written in  
 policies acceptable to the beneficiary, with loss payable to the latter; all  
 if the grantor shall for any reason to procure any such insurance and to  
 deliver said policies to the beneficiary at least fifteen days prior to the expira-  
 tion of any policy of insurance now or hereafter placed on said buildings,  
 the beneficiary may procure the insurance at grantor's expense. The amount  
 collected under any fire or other insurance policy may be applied by benefi-  
 ciary 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.

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 beneficiary; should the grantor fail to make payment of any taxes, assess-  
 ments, 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  
 deed, without any of any rights arising from breach of any of the  
 covenants hereof and for payments, with interest as aforesaid, of any of the  
 debt hereinbefore described, as well as the grantor, shall be bound to the  
 extent that they are bound for the payment of the obligation herein  
 described, and all such payments shall be immediately due and payable with-  
 out 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. 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  
 any suit for the foreclosure of this deed, to pay all costs and expenses, in-  
 cluding 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 or  
 decree of the trial court, grantor further agrees to pay such sum as the ap-  
 pellate court shall judge reasonable as the beneficiary's or trustee's attor-  
 ney'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 to elect, to require that all or any portion of the monies payable  
 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/or  
 applied by it first upon any reasonable costs and expenses and attorney's fees,  
 both in the trial and appellate courts, necessarily paid or incurred by benefi-  
 ciary 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 com-  
 pensation, promptly upon beneficiary's request.

9. At any time and from time to time upon written request of bene-  
 ficiary, payment of its fees and presentation of this deed and the note her-  
 in secured hereby, for cancellation, 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 any  
 subordination or other agreement affecting this deed or the lien or charge  
 thereon; (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.

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 ap-  
 pointed by a court, and without regard to the adequacy of any security for  
 the indebtedness hereby secured, enter upon and take possession of said prop-  
 erty 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 attor-  
 ney's fees upon any indebtedness secured hereby, and in such order as bene-  
 ficiary 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  
 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 the beneficiary at its election may 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  
 execute and cause to be recorded his written notice of default and his election  
 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 privileged by  
 the ORS 86.760, may pay to the beneficiary or his successors in interest, respec-  
 tively, the entire amount then due under the terms of the trust deed and the  
 obligation secured hereby (including costs and expenses actually incurred in  
 enforcing the terms of the obligation and trustee's and attorney's fees not ex-  
 ceeding the amounts provided by law) other than such portion of the prin-  
 cipal 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

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 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 im-  
 plied. The recitals in the deed 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, in-  
 cluding 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, in 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.

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. It is understood that there is a certain Trust Deed dated March 3, 1978, recorded March 6, 1978 in M-78, page 4163, which Grantors have expressly assumed and agreed to pay, and that a default upon that Trust Deed by Grantees shall constitute a default upon this Trust Deed.

and that he will warrant and forever defend the same against all persons whomsoever. Grantors may not sell, transfer or assign their interest herein, or any portion thereof, without first obtaining the written consent of Beneficiaries; said consent shall not be unreasonably withheld by Beneficiaries.

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, 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.]

STATE OF OREGON,

County of Klamath

4-27

19 81

Personally appeared the above named  
JAMES C. MITCHELL and JILL E.  
MITCHELL, husband and wife,

and acknowledged the foregoing instrument, to be their voluntary act and deed.  
Before me:  
(OFFICIAL SEAL)  
Notary Public for Oregon  
My commission expires: 8.5.83

(ORS 93.490)

STATE OF OREGON, County of

19

ss.

Personally appeared

and

duly sworn, did say that the former is the president and that the latter is the secretary of

who, each being first

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.

Grantor

Beneficiary

AFTER RECORDING RETURN TO

KCTB

SPACE RESERVED  
FOR  
RECORDER'S USE

STATE OF OREGON,

County of Klamath

ss.

I certify that the within instrument was received for record on the 27th day of April, 1981, at 12:21 o'clock P.M., and recorded in book/reel/volume No. M81 on page 7509, or as document/fee/file/instrument/microfilm No. 98905. Record of Mortgages of said County.

Witness my hand and seal of County affixed.

Evelyn Biehn County Clerk

NAME

TITLE

By: *Debra A. Ferguson* Deputy