

SECOND ALL INCLUSIVE

TRUST DEED

Vol. M4/ Page 8024

THIS TRUST DEED, made this 29th day of April, 1981, between

THOMAS M. AUSTIN

as Grantor, TRANSAMERICA TITLE INSURANCE COMPANY

EMILIE KIRK

as Beneficiary,

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

Lot 2, Block 5, PLEASANT VIEW TRACTS, EXCEPTING THEREFROM any portion lying within the right of way of Gary Street, in the County of Klamath, State of 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 EIGHTEEN THOUSAND FIVE HUNDRED AND NO/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 20, 1982

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 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, conditions and restrictions affecting said property; if the beneficiary so requests, to cause the beneficiary to execute and file with the Uniform Commercial Code as 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.

4. To provide and continuously maintain insurance on the buildings and such other hazards as the beneficiary may require, in an amount not less than \$100,000.00, written in policies of insurance acceptable to the beneficiary, with loss payable to the latter; all if the grantor shall fail for any reason to procure any such insurance and to the beneficiary may procure the same at grantor's expense. The amount of any policy of insurance now or hereafter placed on said buildings, 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 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, 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 grantor hereby agrees that they are bound for the payment of the obligation herein set forth, and all such payments shall be immediately due and payable with 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, 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 or decree of the trial court, grantor further agrees to pay such sum as the appellate court shall adjudicate reasonable as the beneficiary's or trustee's attorney's fees on such appeal.

8. It is mutually agreed that:

9. 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, be necessarily paid or applied by it first upon such proceedings, shall be paid to beneficiary and 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 expense, to take such actions and execute such instruments as shall be necessary in obtaining such compensation promptly upon beneficiary's request.

10. 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 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 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 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 the beneficiary at his election may proceed to foreclose this trust deed by advertisement and sale. In the latter event the beneficiary or the trustee shall 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 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 the amounts 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 trustee.

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 implied. 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, 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 principal due at that time subsequent to the interest of the trustee in the trust deed, 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 or 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 EXCEPT 1. Trust Deed in favor of Raymond A. Harris, et ux 2. Judgment against Emilie Kirk in favor of State of Oregon and 3. Taxes for 1979-80 and 80-81 WHICH BENEFICIARY HEREIN HOLDS GRANTOR HARMLESS THEREFROM** SEE ADDENDUM ATTACHED HERETO AND MADE A PART HEREOF.

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 the purchase of real property for business 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.

May / 1981

Personally appeared the above named

Thomas M. Austin

STATE OF OREGON, County of _____) ss.

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)

(OFFICIAL SEAL)

Notary Public for Oregon

My commission expires: 2/4/82

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)

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

Thomas M. Austin

Grantor

Emilie Kirk

Beneficiary

AFTER RECORDING RETURN TO

Transamerica Title Ins. Co.

600 Main Street

Klamath Falls, OR 97601

Attent: Julie Jarrett

SPACE RESERVED

FOR

RECORDER'S USE

STATE OF OREGON,

County of _____) ss.

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

at _____ o'clock _____ M., and recorded in book/reel/volume No. _____ on page _____ or as document/fee/file/instrument/microfilm No. _____

Record of Mortgages of said County.

Witness my hand and seal of County affixed.

NAME

By _____

TITLE

Deputy

ADDENDUM TO NOTE
AND DEED OF TRUST

8026

April 27, 1981

This Trust Deed is an "ALL INCLUSIVE TRUST DEED" and is 2nd and subordinate to the Trust Deed now of record in favor of Raymond A. Harris and Marie M. Harris, husband and wife, by assignment recorded May 30, 1979 in Book M-79 at page 12435, said Trust Deed recorded May 22, 1979 in Book M-79 at page 11682, Klamath County Records. Beneficiary under the All Inclusive Trust Deed agrees to pay, when due, all payments upon the said Promissory Note in favor of Raymond A. Harris and Marie M. Harris, husband and wife and holds Thomas M. Austin harmless therefrom. Should default occur under the prior Trust Deed, then and in that event, grantor herein may make said delinquent payments and any sums so paid by said grantor herein shall then be credited upon the sums next to become due upon the Note secured by this "ALL INCLUSIVE TRUST DEED".

This Trust Deed and Note is subordinate to that certain judgment Entered: July 9, 1979 in Book: 35, Page: 43, Line: 3, in the amount of \$209.35 plus interest, if any, against: Emilie Kirk, also known as Emilie Loretto and Leroy Kirk (deceased), In favor of: State of Oregon, Department of Revenue WHICH BENEFICIARY HEREIN AGREES TO HOLD GRANTOR HARMLESS THEREFROM.

This Trust Deed and Note is also subordinate to the Taxes for the year 1980-81 payable in the amount of \$392.80 plus interest. (CODE 41 MAP 3909-223 TL 3000) AND Taxes for the year 1979-80 delinquent in the amount of \$355.80, plus interest. (CODE 41 MAP 3909-223 TL 3000) WHICH BENEFICIARY HEREIN AGREES TO HOLD GRANTOR HARMLESS THEREFROM.

BENEFICIARY HEREIN FURTHER WARRANTS THAT SAID JUDGMENT AND TAXES WILL BE PAID IN FULL UPON RECEIPT OF THE BALLOON PAYMENT FROM THE GRANTOR HEREIN OR UPON PAYMENT IN FULL OF THIS ALL INCLUSIVE TRUST DEED WHICHEVER OCCURS FIRST.

Thomas M. Austin
THOMAS M. AUSTIN, GRANTOR
Emilie Kirk
EMILIE KIRK, BENEFICIARY
BY: Robert Thomas, Power of Attorney

STATE OF OREGON,

County of Klamath } ss.

On this the 4 day of May, 1981, Robert Thomas personally appeared who, being duly sworn (or affirmed) did say that he is the attorney in fact for Emilie Kirk and that he executed the foregoing instrument by authority of and in behalf of said principal; and he acknowledged said instrument to be the act and deed of said principal.

Before me:

Sandra Handsaker

Notary Public for Oregon.

My Commission expires 7-23-81



State of OREGON: COUNTY OF KLAMATH: ss.

I hereby certify that the within instrument was received and filed for record on the 5th day of May A.D., 1981 at 3:30 o'clock P.M., and duly recorded in

Vol. MS1 of Mtg. on page 8024.

EVELYN BIEHN
COUNTY CLERK

Fee \$ 10.50

By Debra A. Jones deputy