

TRUST DEED

Vol. m87 Page

0059

as Grantor, TRANSAMERICA TITLE INSURANCE COMPANY, _____, as Trustee, and
BURTON E. GRAY and THELMA JEAN GRAY, husband and wife, _____
as Beneficiary.

WITNESSETH:

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

Lots 3 and 4, Block 28, HILLSIDE ADDITION TO THE CITY OF KLAMATH FALLS, in the County of Klamath, State of Oregon, TOGETHER WITH that portion of vacated Lexington Street Adjoining that would attach thereto by Ordinance #2144, recorded February 25, 1958 in Book 297 at page 577.

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.

now or hereafter appertaining, and the terms, issues, and proceeds of the same, together with the principal sum of the loan, shall be paid to the lender with said real estate.

FOR THE PURPOSE OF SECURING PERFORMANCE of each agreement of grantor herein contained and payment of the sum of Twenty Two Thousand Four Hundred and No/100ths (\$22,400.00) 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 PER TERMS OF NOTE, 19 .

On 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 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:

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 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 searches made by filing officers or searching agencies as may be deemed desirable by the beneficiary.

[illegible]

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 be unable to make payment of any taxes, assessments, insurance premiums, construction liens or other charges payable by grantor, either by direct payment, 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 the fact that any of the covenants heretofore for such payments, with interest as aforesaid, the covenants heretofore described, as well as the covenants for the payment of the obligation herein described, 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. - and defend any action or proceeding purporting to

tees actually incurred. To sue 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 a mortgage, to pay the attorney's fees and expenses, including the 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 shall be fixed by the appellate court. The grantor further agrees to pay such sums as the appraiser of the trial 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 be taken under the right of eminent domain or condemnation, beneficiary shall have the right to receive compensation for that all or any portion of the monies payable for such compensation for such taking, which are in excess of the amount required to pay all reasonable costs, expenses and attorney's fees actually paid to beneficiary and incurred by grantor; in such proceedings, reasonable costs and expenses and attorney's fees, applied by it in the trial and appellate courts, necessarily paid or incurred by beneficiary in such proceedings, and the balance applied upon the award to take such actions secured hereby; and grantor agrees to indemnify and hold beneficiary harmless from and execute and execute 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 any subordination or other agreement affecting this deed or the lien or status thereof; (d) reconvey, without warranty, all or any part of the property. The grantee in any conveyance may be described as the "person or persons legally entitled to the property" 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 the court, 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 all debts, issues and profits, including those payable to or for the benefit of the same, less costs of collection, and collection, including reasonable attorney's fees, as 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 may proceed to foreclose this trust deed by advertisement and sale. In the latter event the beneficiary or the trustee execute and cause to be recorded his written notice of default and intention to sell the said described real property to satisfy the obligations secured hereby, whereupon the trustee shall file the time and place of sale, give notice thereof and then proceed to foreclose this trust deed in accordance with 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 fees) and the trustee, upon receiving the amounts provided, shall not proceed with the foreclosure sale and the principal amount then 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, at 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 parcels in the order of priority of the parcels. The trustee shall conduct an auction to the highest bidder for each parcel and shall execute a deed in form as required by law conveying the property so sold, but without any covenant or warranty, express or implied, of title. The recitals in the deed of any material fact shall be conclusively presumed to be true. Any person, other than the trustee, but including a junior 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 mortgage, (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 trustee appointed hereunder. Upon such appointment, and without any further action, the said beneficiary shall be deemed to have made conveyance to the successor trustee, the latter shall be vested with all the powers and duties conferred upon the trustee herein, and no deed, instrument 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 Clerk or Recorder of the county or counties in which the property is situated, shall constitute a conclusive and sufficient 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 except that certain City Improvement #247, entered November 15, 1974, Card No. 28, which Beneficiaries herein shall pay and hold Grantor harmless thereon.

and that he will warrant and forever defend the same against all persons whomsoever.
SEE ADDENDUM TO TRUST DEED, ATTACHED HERETO, MARKED AS "EXHIBIT A" and by reference made a part hereof.

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.

Agnes Ann Wetzel

(If the signer of the above is a corporation, use the form of acknowledgment opposite.)

STATE OF OREGON,)
County of Klamath) ss.
June 1, 1981

(ORS 93.490)

STATE OF OREGON, County of _____) ss.
Personally appeared _____, 19____

_____ and
duly sworn, did say that the former is the _____ who, each being first
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:

AGNES ANN WETZEL,
Notary Public for Oregon
My commission expires: 11/16/84

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 _____ } 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
County affixed.

By _____ NAME _____ TITLE _____
Deputy

AFTER RECORDING RETURN TO:
MARY LOU / TA

ADDENDUM TO TRUST DEED

The Grantor herein is purchaser of the above-described property from Beneficiaries. Grantor has purchased the property in "as is" condition and has not relied upon any representations of the Beneficiaries as to the quality of the premises.

In the event the Beneficiaries elect to foreclose upon the property, or in the event the property, for any reason, is abandoned, the Beneficiaries may cause a Receiver to be appointed to protect the property during the pendency of any litigation.

In the event Grantor sell the above-described property, or any interest she has in the property, the entire balance due hereunder, as evidenced by the Note and Agreement of even date, shall become immediately due and collectible.

STATE OF OREGON; COUNTY OF KLAMATH; ss.

Filed for record at request of _____
 this 1st day of June A. D. 19 81 at 11:01 o'clock A., and
 duly recorded in Vol. MB1, of Mtg. on Page 9669

Fee \$10.50

EVELYN BEHN, County Clerk

By

Debra A. Jansky