

MTC-10502-L

IN-1

2971

TRUST DEED

Vol. 78/ Page 14078



THIS TRUST DEED, made this 4th day of August, 1981, between Martin M. Drespling also known as Martin M. Drespling Jr. and Janice M. Drespling, Husband and Wife, as Grantor, MOUNTAIN TITLE COMPANY, Forest Products Federal Credit Union, as Trustee, and 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:

PARCEL 1:

Beginning at the Southeasterly corner of Section 1, Township 37 South, Range 14 East of the Willamette Meridian, Klamath County, Oregon; thence West 1608.33 feet along the South line of said Section 1 to an iron pin; thence North parallel to the Easterly line of said Section 1 a distance of 882.85 feet to an iron pin on the Southerly boundary line of the Klamath Falls - Lakeview Highway; thence Southeasterly along the Southerly boundary line of the Klamath Falls - Lakeview Highway to its intersection with the Easterly line of said Section 1; thence South along the Easterly line of said Section 1 to the Southeasterly corner of Section 1 and the point of beginning.

PARCEL 2:

The N¹/₂ S¹/₂ E¹/₂ of Section 12, Township 37 South, Range 14 East of the Willamette Meridian, Klamath County, Oregon.

PARCEL 3:

The S¹/₂ E¹/₂ of Section 12, Township 37 South, Range 14 East of the Willamette Meridian, Klamath County, Oregon.

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 and such other hazards as the beneficiary may from time to time require, in an amount not less than the full value of the buildings, 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 fire or other insurance policy may be applied by the 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.

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 payments 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 property hereinafter described, as well as the grantor, shall be bound to the same extent that they are bound 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, 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 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 any 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 recoveries, for cancellation) without affecting the liability of any person for the payment of the indebtedness, trustee may

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 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 86,748.

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 obligated by ORS 86,760, may pay to the beneficiary or his successors in interest, in full, the amount of the indebtedness 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 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 trustee, 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 persons having recorded liens subsequent to the interest of the trustee in the trust deed as their interest 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 conveyance to the successor trustee. Upon such appointment, and without conveyance to the successor trustee, the latter shall be vested with all 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, 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.

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FOR THE PURPOSE OF SECURING PERFORMANCE of each agreement of grantor herein contained and payment of the FOURTEEN THOUSAND SEVEN HUNDRED SIXTY AND NO/100-----

note of even date herewith, payable to beneficiary or order and interest, _____, 19____, not sooner paid, to be due and payable PER TERMS OF NOTE, 19____.

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

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

[illegible]

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

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 other hazards as the beneficiary may from time to time require, in an amount not less than \$ Full Value payable to the latter; all companies acceptable to the beneficiary as the beneficiary as soon as insured policies of insurance shall be procured by the beneficiary for any reason to procure any such insurance and to deliver said policy to the beneficiary at least fifteen days prior to the expiration of the policy; policy of insurance now or hereafter placed on said buildings by the beneficiary may procure the same at grantor's expense and amount collected under any fire or other insurance policy 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 be void if any default or notice of default hereunder or invalidate any

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 or against said property before any part of such taxes, assessments and other charges become payable, the grantor shall and promptly deliver receipts therefor to beneficiary; and the grantor shall 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 to make such payment, beneficiary may, at its option, set forth in the note secured and the amount so paid, with interest as described in paragraphs 6 and 7 of this hereby, together with the obligation to be secured by the trust deed, and the trust deed shall be added and become a part of the debt secured by the trust deed, without waiver of any rights arising from breach of any of the covenants and for such payments, with interest as aforesaid, the property shall be bound to the extent of the obligation hereunder described, as well as the grantor, shall be bound to the extent that they are bound for the payment of due and payable with interest as described, and all such payments shall be made by the beneficiary on notice, and the nonpayment of any such sums secured by the trust deed shall render all 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 such action or proceeding in which the beneficiary or trustee may appear, including the foreclosure of this deed, to pay the costs of the trustee's attorney, any suit for the foreclosure of this deed, to pay the costs of the trustee's attorney, including evidence of title and the costs of the trustee's attorney's fees; and in the event of a trial or hearing mentioned in this paragraph 7, in all cases shall be liable for all attorney's fees and costs of the trustee's attorney, to be fixed by the trial court and in the event of an appeal from the trial court, shall be liable for all attorney's fees and costs of the trustee's attorney, to be fixed by the trial court, grantor further agrees that such sum as the appellate court shall determine to be reasonable as the beneficiary's or trustee's attorney's fees in such appeal.

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 to it under the contract shall be paid to it in full, and which are in excess of the amount required to be paid to the beneficiary.

right, if it so elects, to require that the amount required 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 as 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 beneficiary, and thereafter, until the indebtedness of the obligor has been completely

(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 thereof; (d) reconvey, without warranty, this deed 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 true and correct, and the recitals thereof shall be true and correct.

legally entitled hereunder, be and shall be 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 a duly authorized agent, or by a court, and without being bound by the adequacy of any security for the performance of the obligations of the grantor, 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 to become, and pay the same, less costs and expenses, including reasonable attorney's fees and costs of litigation, to the business secured hereby, and in such order as beneficiary may deem proper.

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

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 due and immediately due and payable. In such event the beneficiary at its election may proceed to foreclose this trust deed against the property herein described as security for the debt, or it may elect to sell the property as a mortgage or direct the trustee to foreclose this trust deed advertisement and sale. In the latter event the beneficiary shall cause to be executed and cause to be recorded a written notice of default and his election to foreclose upon 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 thereon.

thereof as then required by law and proceed to foreclose this trust in the manner provided in ORS 86.740 to the extent of the amount so received.

13. Should the beneficiary fail to foreclose by advertisement and sale within 13 days after the date 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 trust to foreclose may, at the option of the grantor or other person so privileged, ORS 86.760, may pay to the beneficiary or his successors in interest, respectively, the entire amount then due under the trust, including the principal and interest, and the costs and expenses actually incurred in the performance of the obligation secured thereunder, and the grantor or other person so privileged, including the attorney's fees not exceeding the amounts provided by law) other than such portion of the proceeds of the sale of the property as may be due to the beneficiary and thereby cause the principal as would not then be due had no default occurred and thereby cause the default, in which event all foreclosure proceedings shall be dismissed by the court.

the default, in which event all foreclosure proceedings shall be stayed.

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 shall sell said property either in one parcel or in lots 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. The trustee shall deliver to the purchaser its deed in form as required by law, in writing, express or implied. The receipt of the deed of any matters of fact shall be conclusive proof of the truthfulness thereof. Any person, excluding the trustee, but including

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 payment of the taxes and other charges levied on the property, including the compensation of the trustee and a reasonable fee to be paid to the attorney, (3) to the obligation secured by the mortgage, (4) to all other claims having recorded liens subsequent to the interest of the trustee in the trust, and (5) as for his interests may appear in the order of their priority and (6) the balance shall be paid to his successor in interest entitled to succeed to the property.

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 upon the conveyance to the successor trustee, the latter shall be vested with all the powers and duties conferred upon any trustee named herein, and substitution shall be made by written instrument executed by the beneficiary, containing reference to this trust document, in the office 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.

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. Default on the mortgages encumbered hereto shall constitute default on the herein Trust Deed.

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, 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.
August 4, 1981

Personally appeared the above named
Martin M. Drespling Jr. and
Janice M. Drespling

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

(OFFICIAL SEAL)

Notary Public for Oregon

My commission expires: 7/13/88

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)

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

IN WITNESS WHEREOF, the Grantor has hereunto set his hand and seal the day and year first above written.

GRANTOR

GRANTOR

GRANTOR

GRANTOR

GRANTOR

GRANTOR

GRANTOR

GRANTOR

OWNER

OWNER

OWNER

OWNER

OWNER

OWNER

OWNER

OWNER

OWNER

STATE OF OREGON,

County of Klamath } ss.

I certify that the within instrument was received for record on the
7th day of August, 1981,
at 10:26 o'clock A.M., and recorded
in book/reel/volume No. 481 on
page 14078 or as document/fee/file/
instrument/microfilm No. 2971
Record of Mortgages of said County.

Witness my hand and seal of
County affixed.

Evelyn Biehn County Clerk

By Berntha S. Ketch deputy

MTCoast

WLC-108004

Fee \$10.50