

## TRUST DEED

19 81 between

THIS FRONT PAGE, 1964, 1965, 1966, 1967, 1968, 1969, 1970, 1971, 1972, 1973, 1974, 1975, 1976, 1977, 1978, 1979, 1980, 1981, 1982, 1983, 1984, 1985, 1986, 1987, 1988, 1989, 1990, 1991, 1992, 1993, 1994, 1995, 1996, 1997, 1998, 1999, 2000, 2001, 2002, 2003, 2004, 2005, 2006, 2007, 2008, 2009, 2010, 2011, 2012, 2013, 2014, 2015, 2016, 2017, 2018, 2019, 2020, 2021, 2022, 2023, 2024, 2025, 2026, 2027, 2028, 2029, 2030, 2031, 2032, 2033, 2034, 2035, 2036, 2037, 2038, 2039, 2040, 2041, 2042, 2043, 2044, 2045, 2046, 2047, 2048, 2049, 2050, 2051, 2052, 2053, 2054, 2055, 2056, 2057, 2058, 2059, 2060, 2061, 2062, 2063, 2064, 2065, 2066, 2067, 2068, 2069, 2070, 2071, 2072, 2073, 2074, 2075, 2076, 2077, 2078, 2079, 2080, 2081, 2082, 2083, 2084, 2085, 2086, 2087, 2088, 2089, 2090, 2091, 2092, 2093, 2094, 2095, 2096, 2097, 2098, 2099, 2100, 2101, 2102, 2103, 2104, 2105, 2106, 2107, 2108, 2109, 2110, 2111, 2112, 2113, 2114, 2115, 2116, 2117, 2118, 2119, 2120, 2121, 2122, 2123, 2124, 2125, 2126, 2127, 2128, 2129, 2130, 2131, 2132, 2133, 2134, 2135, 2136, 2137, 2138, 2139, 2140, 2141, 2142, 2143, 2144, 2145, 2146, 2147, 2148, 2149, 2150, 2151, 2152, 2153, 2154, 2155, 2156, 2157, 2158, 2159, 2160, 2161, 2162, 2163, 2164, 2165, 2166, 2167, 2168, 2169, 2170, 2171, 2172, 2173, 2174, 2175, 2176, 2177, 2178, 2179, 2180, 2181, 2182, 2183, 2184, 2185, 2186, 2187, 2188, 2189, 2190, 2191, 2192, 2193, 2194, 2195, 2196, 2197, 2198, 2199, 2200, 2201, 2202, 2203, 2204, 2205, 2206, 2207, 2208, 2209, 2210, 2211, 2212, 2213, 2214, 2215, 2216, 2217, 2218, 2219, 2220, 2221, 2222, 2223, 2224, 2225, 2226, 2227, 2228, 2229, 2230, 2231, 2232, 2233, 2234, 2235, 2236, 2237, 2238, 2239, 2240, 2241, 2242, 2243, 2244, 2245, 2246, 2247, 2248, 2249, 2250, 2251, 2252, 2253, 2254, 2255, 2256, 2257, 2258, 2259, 2260, 2261, 2262, 2263, 2264, 2265, 2266, 2267, 2268, 2269, 2270, 2271, 2272, 2273, 2274, 2275, 2276, 2277, 2278, 2279, 2280, 2281, 2282, 2283, 2284, 2285, 2286, 2287, 2288, 2289, 2290, 2291, 2292, 2293, 2294, 2295, 2296, 2297, 2298, 2299, 2300, 2301, 2302, 2303, 2304, 2305, 2306, 2307, 2308, 2309, 2310, 2311, 2312, 2313, 2314, 2315, 2316, 2317, 2318, 2319, 2320, 2321, 2322, 2323, 2324, 2325, 2326, 2327, 2328, 2329, 2330, 2331, 2332, 2333, 2334, 2335, 2336, 2337, 2338, 2339, 2340, 2341, 2342, 2343, 2344, 2345, 2346, 2347, 2348, 2349, 2350, 2351, 2352, 2353, 2354, 2355, 2356, 2357, 2358, 2359, 2360, 2361, 2362, 2363, 2364, 2365, 2366, 2367, 2368, 2369, 2370, 2371, 2372, 2373, 2374, 2375, 2376, 2377, 2378, 2379, 2380, 2381, 2382, 2383, 2384, 2385, 2386, 2387, 2388, 2389, 2390, 2391, 2392, 2393, 2394, 2395, 2396, 2397, 2398, 2399, 2400, 2401, 2402, 2403, 2404, 2405, 2406, 2407, 2408, 2409, 2410, 2411, 2412, 2413, 2414, 2415, 2416, 2417, 2418, 2419, 2420, 2421, 2422, 2423, 2424, 2425, 2426, 2427, 2428, 2429, 2430, 2431, 2432, 2433, 2434, 2435, 2436, 2437, 2438, 2439, 2440, 2441, 2442, 2443, 2444, 2445, 2446, 2447, 2448, 2449, 2450, 2451, 2452, 2453, 2454, 2455, 2456, 2457, 2458, 2459, 2460, 2461, 2462, 2463, 2464, 2465, 2466, 2467, 2468, 2469, 2470, 2471, 2472, 2473, 2474, 2475, 2476, 2477, 2478, 2479, 2480, 2481, 2482, 2483, 2484, 2485, 2486, 2487, 2488, 2489, 2490, 2491, 2492, 2493, 2494, 2495, 2496, 2497, 2498, 2499, 2500, 2501, 2502, 2503, 2504, 2505, 2506, 2507, 2508, 2509, 2510, 2511, 2512, 2513, 2514, 2515, 2516, 2517, 2518, 2519, 2520, 2521, 2522, 2523, 2524, 2525, 2526, 2527, 2528, 2529, 2530, 2531, 2532, 2533, 2534, 2535, 2536, 2537, 2538, 2539, 2540, 2541, 2542, 2543, 2544, 2545, 2546, 2547, 2548, 2549, 2550, 2551, 2552, 2553, 2554, 2555, 2556, 2557, 2558, 2559, 2560, 2561, 2562, 2563, 2564, 2565, 2566, 2567, 2568, 2569, 2570, 2571, 2572, 2573, 2574, 2575, 2576, 2577, 2578, 2579, 2580, 2581, 2582, 2583, 2584, 2585, 2586, 2587, 2588, 2589, 2590, 2591, 2592, 2593, 2594, 2595, 2596, 2597, 2598, 2599, 2600, 2601, 2602, 2603, 2604, 2605, 2606, 2607, 2608, 2609, 2610, 2611, 2612, 2613, 2614, 2615, 2616, 2617, 2618, 2619, 2620, 2621, 2622, 2623, 2624, 2625, 2626, 2627, 2628, 2629, 2630, 2631, 2632, 2633, 2634, 2635, 2636, 2637, 2638, 2639, 2640, 2641, 2642, 2643, 2644, 264

as Grantor, \_\_\_\_\_  
 \_\_\_\_\_, as Trustee, and  
 \_\_\_\_\_

WITNESSETH:

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

See "EXHIBIT A" by this reference made a part herein.

JK 021 DEED

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 \*THIRTY THREE THOUSAND AND NO/100\* Dollars with interest thereon according to the terms of a promissory

sum of \*THIRTY THREE THOUSAND AND NO/100\* 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 8/1/82, 19....., on which the final installment of said note is due, the date secured by this instrument is the date, stated above, on which the final installment of said note is due, and the interest thereon is sold, agreed to be

note of even date herewith, payable to 8/1/82, 1982,  
not sooner paid, to be due and payable 8/1/82.  
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.  
This property is not currently used for agricultural, timber or grazing purposes.

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; and permit 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 the financing statements pursuant to the Uniform Commercial Code as the beneficiary may require and to pay for filing and searches made 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 and such other amount not less than \$..... to the latter; all 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 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 the beneficiary may procure on other insurance policy may be applied by beneficiary collected under any fire or other insurance secured hereby, and in such order as beneficiary may determine, and option of beneficiary the entire amount so collected may determine, 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 due or delinquent and promptly deliver and pay all such charges to the authority; 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 for payment of such charges with funds with which to make such payment, beneficiary may, at its option, make payment thereof, and the amount so paid, together with the obligations described in paragraphs 6 and 7 of this 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 aforesaid, the property interests hereof and for such payments, with interest thereon, shall be bound to the city, hereinafter described, as well as the grantment of the obligation herein same extent that they are bound for the payment of the debt secured by the hereby 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 the cost of this trust deed, including the cost

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 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 such 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.

pellate court shall adjudge reasonable as the  
noy'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 sue for and recover the full amount of the monetary payment or 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 to be applied by it to the payment of any reasonable costs and expenses and attorney's fees incurred by it in such proceedings, necessarily paid or incurred by beneficiary in such proceedings, and the balance of the proceeds of such taking shall be paid to beneficiary at its own expense, to take such actions secured hereby; and grantor's attorneys shall be necessary in obtaining such compensation and execute such documents as shall be necessary in obtaining such compensation promptly upon beneficiary's request.

(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, described as the "person or persons grantee in any reconveyance may be," all the land or the lien or charge legally entitled thereto, and all the recitals therein of any matters or facts shall be conclusive proof of the truthfulness thereof. Trustee's fees for any of the foregoing 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 attorney, to the order to be appointed by a court, and without regard to the adequacy of any security for the indebtedness, enter upon and take possession of said property, together with any part thereof, in its own name sue or otherwise collect the same, and all interest thereon, and all costs and expenses, including reasonable attorney's fees and costs, and all other expenses incurred 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 event the beneficiary may cause the trustee to foreclose this trust deed in equity as to the property or direct the trustee to foreclose this trust deed by advertisement and sale. In the latter event the beneficiary, trustee shall execute and cause to be recorded his notice of default and his election to sell the said described real property to satisfy the obligations secured hereby. Thereafter the trustee shall fix the time and place of sale, give notice thereof as then required by ORS 86.740 to 86.745 and cause this trust deed in the manner provided in ORS 86.740 to 86.745 to be advertised and sold.

thereof as they are provided in ORS 86.740 to 86.795.

13. Should the beneficiary elect to foreclose by advertisement and sale under the mortgage, the trustee shall have the right to sell the property at or 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 due under the terms of the trust deed and thereupon the entire debt shall be considered thereby (including costs and expenses assessed by the attorney) fully satisfied and discharged; and in enforcing the terms of the obligation and trust deed, the trustee shall not exceeding the amounts provided to had no default occurred, and thereby cure principal as would not then be due 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 court.

14. The trustee shall have the right to sell the property at or after the time and

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 the time and in the manner and in the form as required by law conveying the property to the highest bidder for cash, payable at the time of sale. Trustee shall deliver to the purchaser a deed 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 beneficiary, may purchase at the sale.

15. When trustee sells pursuant to the powers provided herein, trustee shall use the proceeds of sale to payment of (1) the expenses of sale, including the compensation of the trustee and a reasonable fee to the trustee's attorney, (2) to the obligation secured by the deed, (3) to all 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, and trustee may from time to time

16. For any reason permitted by law beneficiary may from time to time appoint a successor or successors to any trustee named herein or from any time appoint a trustee appointed hereunder. Upon such appointment, without the necessity of any further instrument, the trustee 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 the 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 of any pending sale under any other deed of trust or of any action or proceeding in which grantor, beneficiary or trustee are parties, 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.

[illegible]

...against all persons whatsoever.

(b) for an organization, or (even if grantor is a natural person) are for business or commercial purposes other than agricultural purposes.

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

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

**STATE OF OREGON,**

County of Klamath

August 3, 1981

appeared like above named.....  
GEORGE SCHULTHEISS  
PATRICIA SCHULTHEISS

and acknowledged the foregoing instru-  
THEIR voluntary act and deed.

Before me:

Notary Public for Oregon

My commission expires: 5-21-85

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)

To be used only when obligations have been paid.

TO: THE TRUSTEES OF THE UNIVERSITY OF MICHIGAN, 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.

2(FORM No. 581) 11-V, PÅ 112 LELGLUGG 11996 1 1011 1011

STEVENSON 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 of  
County affixed.

NAME \_\_\_\_\_ TITLE \_\_\_\_\_  
By \_\_\_\_\_ Deputy \_\_\_\_\_

**AFTER RECORDING RETURN TO**

507-7

1424 J. B. B. J.

LOWE 140 1A

Part of Trust Deed dated August 3, 1981  
for George Schultheiss and Patricia Schultheiss

EXHIBIT "A"

14114

A portion of the South 1/2 of the Northwest 1/4, of the Southeast 1/4, of Section 11, Township 39 South, Range 9 East of the Willamette Meridian, in the County of Klamath, State of Oregon. more particularly described as follows:

Beginning at a point in the center line of a 60 foot road from which Quarter Section corner common to Sections 11 and 14, Township 39 South, Range 9 East of the Willamette Meridian, bears South 89°28' West along the Said roadway center line 974.5 feet and South 00°09' East along the North and South Center line of the Said Section 11 as marked on the ground by a well established fence line 1663.8 feet; thence from said beginning point South 00°16' East 343.3 feet, more or less, to a point in the South boundary line of the South 1/2 of the Northwest 1/4 of the Southeast 1/4 of said Section 11; thence South 89°31 1/2' East along the said boundary line 126.5 feet; thence North 00°16' West 345.4 feet, more or less to the center line of the before mentioned roadway; thence South 89°28' West 126.5 feet, more or less, to the point of beginning. EXCEPT that portion lying within the right of way of Bristol Avenue.

STATE OF OREGON; COUNTY OF KLAMATH; ss.

Filed for record at request of Frontier Title Co.

This 7th day of August A.D. 1981 at 3:56 o'clock P.M., and

duly recorded in Vol. M81, of Mortgages on file 14112

By Bernetha H. Ketch EV. LYN BIEHN, County Clerk