

TRUST DEED

Vol. VIII Page 116.

THIS TRUST DEED, made this 4th day of December, 1981, between JOSE A. SANTIAGO and ELISA A. SANTIAGO, husband and wife, with rights of survivorship, as Grantor, TRANSAMERICA TITLE INSURANCE COMPANY, as Trustee, and RICHARD F. JOHNSON and HELEN R. JOHNSON, 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:

Lot 37, FIRST ADDITION MADISON PARK, 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 **FORTY-EIGHT THOUSAND and NO/100** - - - - -

sum of Fourteen thousand and no/100ths 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 at maturity, 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 herein, shall become immediately due and payable. Consent not to be unreasonably withheld.

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 and to remove or demolish any building or improvement thereon and to construct or permit any kind of said property.
 2. To keep said property in good and workable condition and to repair or improve any building or improvement which may be constructed, damaged or destroyed thereon, and pay where due all costs incurred thereby.
 3. To comply with all laws, ordinances, regulations, covenants, conditions and restrictions affecting said property, if the beneficiary is required to join in executing such financing statements, promissory notes, mortgages, deeds, contracts, orders, judgments and to pay for filing any in the public office or offices, as well as the cost of all lien searches made by filing offices 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 property against fire or damage by fire and such other hazards as the beneficiary may require, in the minimum amount of not less than \$ Insurable value written in computer acceptable to the beneficiary, with loss payable to the latter; all policies of insurance shall be delivered to the beneficiary as soon as issued; if the grantor shall fail for any reason to procure any such insurance and to deliver said policies to the beneficiary at least ten days prior to the expiration of any policy of insurance now or hereafter placed on said buildings, then 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 any part thereof, may be delivered to grantor. Such application of proceeds will not cure or waive any default or notice of default hereunder or invalidate any at done pursuant to this 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 pay any such taxes, assessments, insurance, premiums, 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 any further action on the part of the beneficiary, and for such payments, with interest as aforesaid, the property heretofore 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 shall be determined and fixed by the trial court and, in the event an appeal herefrom is judgment or decree of the trial court, the grantor further agrees to pay a sum as the appellate court shall adjudge 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 of the proceeds of the sale be paid as compensation to the beneficiary, which are in excess of the amount required to pay all reasonable costs, expenses and attorney's fees actually 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, and then the balance applied upon the indebtedness in such proceedings; and the grantor further 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.
 10. At any time and from time to time upon written request of beneficiary, payment of its fees and expenses incurred under this deed and the note for endorsement in the full amount of its advances, for cancellation, without affecting the validity of the deed, 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 subdivision or other agreement affecting this deed or the lien or charge thereof; (d) remove, without warranty, all or any part of the property. The beneficiary in any conveyance may be described as the "person or persons jointly entitled thereto," and the recitals in the deed or any other instrument be conclusive proof of the truthfulness thereof. The 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 and may cause to be sold the same and its profits, including the interest thereon due and unpaid, and apply the same to the satisfaction of the indebtedness secured hereby, and the Trustee'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 any application of the same to the indebtedness, shall not cure or invalidate any 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 trustee and the Trustee shall execute and cause to be recorded by the county clerk a 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 of the sale, the Trustee may, at his option, release the debt or persons so privileged by the deed, 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. The trustee shall deliver to the purchaser a deed, which shall be required by law conveying the property 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 the sale, including the compensation of the trustee and attorney's charges by trustee; (2) the principal of the indebtedness secured by the trust deed; (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 successor named herein, and the appointment of a successor shall be in accordance with 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 the name of the successor trustee, and filed of record 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 a garnishment or attachment shall be a party unless such action or proceeding is sought 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 a nonprofit loan association authorized to do business under the laws of Oregon or the United States, a title insurance company authorized to issue title to real property in this state, its subsidiaries, affiliates, agents or branches, the United States or any agency thereof, or an escrow agent licensed under OPS 676.505 to 676.585.

2116

The grantor covenants and agrees to and with the beneficiary and those claiming under him, that he is law-fully seized in fee simple of said described real property and has a valid, unencumbered title thereto

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, execu-tors, 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 } ss.
Dec 9, 1981

Personally appeared the above named

José A. Santiago &
Elisa A. Santiago

and acknowledged the foregoing instru-
ment to be voluntary act and deed.

(OFFICIAL
SEAL)

Before me:

Arline T. Aldridge
Notary Public for Oregon

My commission expires: 3-22-85

(CR 93.493)

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

(OFFICIAL
SEAL)

My commission expires: _____

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. 831)

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

Grantor

SPACE RESERVED
FOR
RECORDER'S USE

Beneficiary

AFTER RECORDING RETURN TO

719 So 6th

STATE OF OREGON, _____) ss.

County of Klamath _____) ss.

I certify that the within instru-
ment was received for record on the
10 day of December 1981
at 10:37 o'clock A.M., and recorded
in book reel volume No. M. 81 on
page 21163 or as document/fee/file/
instrument/microfilm No. 7270
Record of Mortgages of said County.

Witness my hand and seal of
County affixed.

Evelyn Biehn County Clerk

By Mr. Gue Deputy

Fee \$8.00