

MTC - 10823

STEVENS-NESBETT PUBLISHING CO., PORTLAND, ORE. 97204

7-366

TRUST DEED

VOL. MYL PEGG

THIS TRUST DEED, made this 20th day of November

, 1981, between

JOHN RAY MARES

, as Trustee, and

as Grantor, Mountain Title Company

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 17, Block 4, TRACT NO. 1021 WILLIAMSON RIVER KNOLL, according to the official plat thereof on file in the office of the County Clerk of Klamath County, Oregon, TOGETHER WITH an undivided 1/80th interest in and to the following: "The Easterly 60 Feet of that portion of Government Lots 40, 41 44 and 45, lying South of the Williamson River Knoll Subdivision and North of the Williamson River.

together with all and singular the tenements, hereditaments and appurtenances and all other rights therunto 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 Six Thousand Three Hundred and 00/100

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 November 20, 1991.

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.

1. To protect the security of this trust deed, grantor agrees: and retain, not to remove or demolish any building or improvement thereon; not to convert 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 to be executed such financing statements pursuant to the Uniform Commercial Code as the beneficiary may require and to pay for legal service in the public office or offices, as well as the cost of all legal searches made by legal officers or searching agencies as may be deemed desirable by the beneficiary.

4. To protect and continuously maintain insurance on the buildings and other property situated on the said premises against loss or damage by fire, by fire and other hazards as the beneficiary may from time to time require, written in amounts not less than \$100,000.00, with a deductible acceptable to the beneficiary, with loss payable to the beneficiary, and the trustee shall bid 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 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 beneficiary toward any indebtedness secured hereby and in such order as beneficiary may determine, or at option of beneficiary the entire amount so collected, or part thereof, may be referred to grantor. Such application or release shall not affect or waive any default or notice of default hereunder or invalidate any act done or done to pursue such notice.

5. To keep said premises free from construction liens and, to the extent possible, from all taxes, assessments and other charges because cast off or deflected and promptly deliver receipts therefor to beneficiary, should the grantor fail to make payment of any taxes, assessments, insurance premiums, fees or other charges payable by grantor, either in direct payment or by providing beneficiary with funds with which to pay and the amount so paid, with interest at the rate set forth in the note or contract, together with the obligations described in paragraphs 6 and 7 of this trust deed, shall be added to and become part of the debt secured by this trust deed, without waiver of any rights arising from breach of any of the instruments, leases and for such payments with interest as aforesaid, the principal amount thereof, as well as the grantor, shall be bound to the beneficiary described, and all such payments shall be immediately due and payable without notice, and the nonpayment thereof shall, at the option of the beneficiary, 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 its enforcing this obligation and trustee's attorney's fees actually incurred.

7. To appear in and defend any action or proceeding pertaining to the security rights or powers of beneficiary or trustee; and in the event of a proceeding in which the beneficiary or trustee may appear, including action 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, incurred by grantor in this paragraph, in all cases shall be tried to the trial court; grantor further agrees to pay such sum as the court may award, and the court shall estimate reasonable as the beneficiary's or trustee's attorney's fees for such appeal.

8. It is mutually agreed that, 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 require that all or any portion of the money so paid by grantor for such taking, which is in excess of the amount required to pay all reasonable costs, expenses and attorney's fees incurred by grantor in such proceedings, shall be paid to beneficiary and deposited by it first upon my reasonable costs and expenses and attorney's fees, both in the trial and appellate courts, necessarily paid or incurred by grantor in such proceedings, and the balance, so paid by grantor, shall be paid to beneficiary, and grantor agrees, at its own expense, to take such actions, and execute such instruments as shall be necessary in obtaining such amounts.

9. At any time and from time to time upon written request of beneficiary, payment of my fee and presentation of this deed and the note for enforcement in case of full reconveyance (or 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 any subdivision or other agreement affecting this deed or the lot or charge in any reconveyance, 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 matter or facts shall be conclusive proof of the truthfulness thereof. Trustee's fees for any or 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 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 or in otherwise collect the rents, issues and profits, including 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 of 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 action 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 real described real property to satisfy the obligations secured hereby, whereupon the trustee shall at 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 §8740 to 86750.

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 ORS 86740, 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 or 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) the obligation secured by the trust deed, (3) to all persons having recordable 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 to my 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 contained in 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 obliged 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 590.505 to 606.505.

21297

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 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 organization, or current operation and/or 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. 1335 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, see the form of acknowledgment opposite.)

STATE OF OREGON, CALIFORNIA
County of CONTRA COSTA } ss.
RECEIVED DECEMBER 10, 1981

Personally appeared the above named —
JOHN RAY MARES

went to do
and acknowledged the foregoing instru-
ment as voluntary act and deed.
Before me:

Laura M. Hunt
Notary Public for Oregon California
My commission expires: May 4, 1984

TO:

REQUEST FOR FULL RECONVEYANCE
To be used only when obligations have been paid.

Notary Public for Oregon
My commission expires:

(OFFICIAL SEAL)

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

DATER:

, 19

Beneficiary

No copy or duplicate of this Trust Deed or the Note which it secures, shall be delivered to the trustee for cancellation before reconveyance will be made.

TRUST DEED

(Form No. 881-17)

JOHN RAY MARES

JACK T. JAMAR

Grantor

Beneficiary

AFTER RECORDING RETURN TO
WINEMA REAL ESTATE
P.O. BOX 376
CHILOQUIN, OR 97624

STATE OF OREGON,
County of Klamath } ss.

I certify that the within instrument was received for record on the 1st day of December, 1981, at 10:06 o'clock A.M., and recorded in book reel volume No. M.81, on page 21296 or as document/file/instrument/microfilm No. 7366 Record of Mortgages of said County.

Witness my hand and seal of County affixed,

Evelyn Biehn county clerk

By Evelyn Biehn Deputy
Fee \$8.00