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**24763**

Second

**TRUST DEED**

K-36219

Vol. 483 Page 9590

THIS TRUST DEED, made this 16th day of June.

, 19....8.3, between

as Grantor, CHARLES D. COLE AND LAURELLE R. COLE, husband and wife  
KLAMATH COUNTY TITLE COMPANY

M. B. TAYLOR AND MARY L. TAYLOR, 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 25 in Block 2 Mountain Lakes Homesites, Tract No. 1017,  
according to the official plat thereof on file in the office  
of the County Clerk, Klamath County, Oregon.

together with all and singular the tenements, hereditaments and appurtenances and all other rights thereunto belonging or in any way now or hereafter appertaining, and the rents, issues and profits thereof and all tithes and other duties and charges in anywise payable 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 Three Thousand One Hundred Fifty-five dollars and 16/100 (\$3,155.16) note of even date herewith, payable to the order of

note of even date herewith, payable to beneficiary or order and made by grantor, the final payment of principal and interest hereof, it not sooner paid, to be due and payable July, 1993

The above described real property is not currently used for agricultural, timber or grazing purposes.

To protect the security of this trust, the property is not currently used for agricultural, timber or grazing purposes.

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, rules and regulations of the City of Chicago.

3. To comply with all laws, ordinances, regulations, covenants, conditions and restrictions affecting said property; if the beneficiary so requests, to file with the County Clerk of the County of Cook, Illinois, a copy of the Uniform Commercial Code as the beneficiary may require and to pay for filing same in the County of Cook, Illinois, as well as the cost of all lien searches made by filing officers or searching agencies as may be deemed desirable.

4. To provide and continuously maintain insurance on the building 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 an amount not less than \$ insurable value written in the company's policy to be delivered to the beneficiary, with loss payable to the beneficiary, if the grantor shall fail for any reason to procure any such insurance, 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 its expense. The amount of the policy upon any fire or other insurance policy may be applied by beneficiary upon any indebtedness secured hereby and in such order as the beneficiary may determine, or any portion of beneficiary the entire amount so collected, or any part thereof, may be released to grantor- Such application or release, if not cure or waive any default or notice of default hereunder or invalidate any act done pursuant to such notice,

5. To keep the 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 of such taxes, assessments and other charges become past due or delinquent and promptly deliver receipts therefor to the beneficiary, should the grantor fail to make payment of any taxes, assessments or charge premiums, liens or other charges payable by grantor, either by direct payment or by providing beneficiary with funds by grantor, either make such payment or pay any may, at its option, make payment with which and the amount so paid, with interest at the rate set forth in the note secured hereby, together with the obligation described in paragraphs 6 and 7 of this trust deed, shall be added to and become a part of the debt secured by this covenant and without waiver of any rights arising from breach of any of the covenants herebefore described, as well as the grantor, shall be bound to the extent that the grantor is bound for the payment of the obligation herebefore 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. The grantor shall 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 trust actually incurred in connection with or in enforcing this obligation and trustee's and attorney's fees actually incurred.

[illegible]

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 receive the full and fair market value of the property as compensation for such taking, that all or any portion of the monies payable 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 both in the trial and appellate courts, necessarily paid or incurred by beneficiary in such proceedings and the balance applied upon the indebtedness incurred hereby; and grantor agrees to use any 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 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 subdivision or other agreement affecting this deed or the interest therein; (d) reconvey, with or without warranty, all or any part of the property herein conveyed; (e) execute any deed, mortgage, lease, or other instrument in connection with the deed hereto; and (f) execute any deed, mortgage, lease, or other instrument in connection with the deed hereto, and the recitals therein of the "person or persons" referred to herein, shall be conclusively deemed to 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, his heirs, assigns, and assigns, shall be liable for the

10. Upon any default by grantor hereunder, beneficiary may at any time without notice, either in person, by agent or by attorney, cause to be appointed by a court of competent jurisdiction a receiver for the property, for the purpose of collecting the same, and upon and take possession of said property, together with all its income and profits, including those past due and unpaid, and otherwise collect the same, and pay the same to beneficiary, and in the event of any loss or damage to the property, beneficiary's fees upon any indebtedness secured hereby, and in such event, 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 his performance of any agreement hereunder, the beneficiary may declare all sums due hereunder hereby immediately due and payable. In such an event the beneficiary at his option may proceed to foreclose this trust in equity as a mortgage or direct the trustee to foreclose this trust and conveyance and sale. In the latter event the beneficiary or the trustee shall execute and cause to be recorded his written notice of declaration and to sell the said real property to satisfy the obligations secured hereby and thereon as required by law and in the time and place of sale, give notice thereof as then required by ORS 86.740 to 86.749 to foreclose this trust deed in the manner provided in ORS 86.740 to 86.749.

13. Should the beneficiary elect to foreclose by advertisement and sale of the trust for the trustee's sale, the grantor has five days before the date set by the IRS to pay to the beneficiary or his successors the portion so privileged by the IRS, the entire amount payable under the terms of the trust deed and the obligation secured thereby (including the interest and expenses actually incurred in effecting the sale of the obligation and trustee's and attorney's fees and not principal as would not then be due by law) other than such portion of the trust principal, in which event all foreclosure proceedings shall be null and void.

[illegible]

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 (2) the reasonable charge by trustee of attorney's fees to the obligation secured by the trust deed, (3) to all persons having recorded liens subsequent to the interest of the trustee in the trust surplus, if any, to the grantor or to his successor, in interest and (4) the 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 trustee appointed hereunder. Upon such appointment or appointments the beneficiary shall have no further powers and duties conferred upon him, the latter shall be vested with all the powers and duties of the trustee named herein named or appointed in the instrument. Each such appointment and substitution shall be made by written instrument and the instrument appointing or substituting shall be made by the beneficiary, containing reference to the instrument by which the trust was created and its place of record, if any, 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 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 Trust deed dated September 26, 1978 recorded in Vol M78 page 21340, in favor of Edward C. Dore, et al, which Grantors herein agree to assume and pay. 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.)

STATE OF OREGON,

County of Klamath } ss.  
June 17, 1983

Personally appeared the above named

Charles D. Cole and  
Laurelle R. Cole

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

(OFFICIAL SEAL)

Notary Public for Oregon

My commission expires: 8-5-83

(ORS 93.490)

STATE OF OREGON, County of } ss.

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. 881-1)

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

Grantor

SPACE RESERVED  
FOR  
RECORDER'S USE

Beneficiary

AFTER RECORDING RETURN TO  
M. B. Taylor  
418 N. Laguna St.  
Klamath Falls, OR 97601

8.00 fee

STATE OF OREGON, } ss.  
County of Klamath

I certify that the within instrument was received for record on the 20 day of June, 1983, at 2:53 o'clock PM., and recorded in book reel volume No. M 83 on page 9590 or as document/fee/file/instrument/microfilm No. 24763. Record of Mortgages of said County.

Witness my hand and seal of County affixed.

Evelyn Biehn, County Clerk

By \_\_\_\_\_ Deputy