

THIS TRUST DEED, made this 22nd day of July, 1983, between
LEE B. DAVIS AND KATHERINE E. DAVIS

as Grantor, WILLIAM L. SISEMORE
CERTIFIED MORTGAGE CO., an Oregon corporation

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:

Lots 13, 14, 15 and 16, Block 53, GRANDVIEW ADDITION TO BONANZA,
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 THIRTEEN THOUSAND AND NO/100 Dollars with interest thereon according to the terms of a promissory

sum of THIRTEEN 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 June 22, 19 90.
 The date named by this instrument is the date, stated above, on which the final installment of said note is due and payable.

not sooner paid, to be due and payable June 22, 1990

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.

_____ 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:

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; 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, 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 execute such financing statements pursuant to the Uniform Commercial Code as the beneficiary may require and to pay for filing same in the local Code as the beneficiary may require and to pay for filing same in the local public office or offices, as well as the cost of all lien searches made by listing officers or searching agencies as may be deemed desirable by the beneficiary.

[illegible]

5. To keep said trust 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 discharge thereof to beneficiary; 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 provision for the 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 any of the covenants hereof and for such payments, with interest as aforesaid, the property hereinbefore described, as well as the grantor, shall be bound to the same extent that for such payments shall be immediately due and payable without notice, and 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 the trustee incurred of title search as well as the other costs and expenses of the trustee in connection with or in enforcing this obligation and trustee's and attorney's fees actually incurred.

7. To apply to and defend any action or proceeding purporting to affect the actual or constructive rights or powers of beneficiary or trustee; and in any such action or proceeding in which the beneficiary or trustee may appear, including any suit for the foreclosure of the mortgage, to pay all costs and expenses, including the attorney's fees, of the beneficiary's or trustee's attorney; and to defend the beneficiary's or trustee's attorney's fees; the costs of attorney's fees mentioned in this paragraph shall be paid by the beneficiary or trustee as ordered by the trial court and in the absence of an order from any judgment or decree of the trial court shall not be admissible as the beneficiary's or trustee's attorney's fees on such appeal.

It is mutually agreed that:

[illegible]

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

(c) consent to the making of any map or plat of said property; (b) join in subordinating any easement or creating any restriction thereon; (c) join in or charge subordination or other agreement affecting this deed or any part of the property. The trustee; (d) reconvey, without warranty, all or any part of the property. The trustee in any reconveyance may be described as the "person or persons granted in and to" the recitals therein of any matters or facts shall be conclusively presumed to be true and correct. Trustee's fees for any of the foregoing shall not be 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 if necessary, secured, enter upon and take possession of said property, including all real and personal property, and collect all rents, issues and profits, including those past due and unpaid, and pay all taxes, less costs and expenses of operation and collection, 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 or her option may proceed to foreclose this trust deed in equity as if the beneficiary were the lender, or direct the trustee to foreclose this trust deed in equity as if the beneficiary were the lender, and his or her election execute and cause to be recorded his written notice to satisfy the obligations secured hereon, whereupon the trustee shall file the time and place of sale. Give notice thereof to the beneficiary as required by law and proceed to foreclose this trust deed in equity as if the beneficiary were the lender. The trustee shall follow the provisions of the Uniform Trust Act 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 set by the trustee for the trustee's sale, the grantor or other person so privileged by ORS 88-140, may pay to the beneficiary or his successors in interest, and the trustee, the entire amount then due under the terms of the trust, and thereby discharge the obligation secured thereby (including costs and attorney's fees not exceeding the terms of the obligation and the law) other than such portion of the principal as would have then been due had no default occurred, and thereby cure the default, in which event all foreclosure proceedings shall be dismissed by the trustee.

[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 a reasonable charge by trustee's attorney, (2) to the obligation secured by the trust deed, (3) to all persons having recorded interests subsequent to the interest of the trustee in the trust deed, their interests may appear in the order of their priority and (4) to the grantor or his successors in interest entitled to such 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 trustee named hereunder. Upon such appointment, and without success to the trustee named hereunder, the latter shall be vested with the conveyance to the successor trustee, the latter shall be vested with all powers and duties conferred upon the trustee named hereunder, and the appointment and substitution shall be made by written instrument executed by beneficiary, containing reference to this trust agreement, and recorded by beneficiary in the office of the County Clerk and its place of record, which, when recorded, shall constitute a 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 or after the 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

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 the grantor is a natural person) 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 22, 19 83

Personally appeared the above named

Lee B. Davis and Katherine E. Davis

and acknowledged the foregoing instrument to be their voluntary act and deed.
Before me:
(OFFICIAL SEAL) *Deidre L. Cole*
Notary Public for Oregon
My commission expires: 6-19-84

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. 881)

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

Davis

Grantor

Certified Mortgage Co.

Beneficiary

AFTER RECORDING RETURN TO

Certified Mortgage Co.
836 Klamath Ave.
Klamath Falls, Or. 97601

SPACE RESERVED
FOR
RECORDER'S USE

8.00 fee

STATE OF OREGON,) ss.
County of Klamath

I certify that the within instrument was received for record on the 22 day of June 19 83 at 3:49 o'clock PM and recorded in book reel volume No. M 83 on page 9776 or as document fee file instrument/microfilm No. 24876. Record of Mortgages of said County.

Witness my hand and seal of County affixed.

Evelyn Blehn, County Clerk

By *Ann Lewis* Deputy