

26373

TRUST DEED

EVERETT NEWS LAW PRINTING CO.
Vol. 1983 Page

THIS TRUST DEED, made this 31st day of January, 1983, between

as Grantor, Mountain Title Company, Bookstool-Hansen Real Estate Company, as to a 60% interest and Neal A. Sha as Trustee, and and Shirley M. Sha, Husband and Wife as to a 40% interest. 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:

JK021 DEED

SEE ATTACHED LEGAL DESCRIPTION

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 tithes 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

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 Per Terms of note dated March 13, 1981 and addendums

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.

The above described real 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, regulations, covenants, conditions

3. To comply with all laws, ordinances, regulations, covenants, conditions and restrictions affecting said property; if the beneficiary so requests, to join in executing such financing statements pursuant to the Uniform Commercial Code as the beneficiary may require and to pay for filing same in the 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 an amount not less than \$ Full value written in companies acceptable to the beneficiary, with loss payable to the latter; all

companies acceptable to the beneficiary, with loss payable to the latter; all life insurance shall be delivered to the beneficiary as soon as insured; and in the grantor's will the reason to procure any such insurance and to deliver said policies to the beneficiary within fifteen days prior to the expiration of any policy of insurance now or hereafter in force, said buildings, the beneficiary may procure the same at grantor's expense. The beneficiary 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 desire, or at option of beneficiary the entire amount so collected, or any part thereof, may be paid to the grantor. Such application or release shall not cure or waive any default or notice of default herunder or invalidate any act done pursuant to such notice.

3. 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, and as part of such taxes, assessments and other charges become part due or delinquent, the grantor shall promptly deliver receipts therefor 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 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, with interest, and any rights arising from breach of any of the covenants hereof and/or such other obligations of the grantor as are hereinbefore described, as well as the grantor shall be bound to the payment of the debt so 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 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 recovery of the principal sum, principal costs and expenses, including evidence of title and the beneficiary or trustee shall be bound by the amount of attorney's fees mentioned in this paragraph, 7; in all cases shall be bound by the trial court; and in the event of an appeal from any judgment or order of the trial court, the 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.

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, if it so elects, to require that all or any portion of the monies payable by the condemning authority in such taking, which are in excess of the amount required to pay all reasonable costs and expenses, less necessarily paid or incurred by grantor in such proceedings, shall be paid to beneficiary, to be applied by it first upon any reasonable costs and expenses and attorney's fees, both in the trial and appellate courts, necessarily paid or incurred by beneficiary in such proceedings, and the balance applied upon the indebtedness secured hereby; and grantor, at and after the time of taking such actions and executing such instruments as shall be necessary in obtaining such condemnation, 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 subcontract or other agreement affecting this deed or the land or charge thereof; (d) reconvey without warranty, all or any part of the property. The grantee in any reconveyance may be designated as the "person or persons legally entitled thereto," and the recitals therein of any matters or facts shall be conclusive proof of 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 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 security or the indebtedness hereby secured, enter upon and take possession of said properties and any part thereof, in its own name sue or otherwise collect the rents, issues and profits of said properties, past due and unpaid, and apply the same, less costs, and expenses of operation and such, 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 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.

Section 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 of the trust assets hereby immediately due and payable. In such an event the beneficiary at his election may cause the trustee to foreclose this trust deed in equity as a mortgage or direct the trustee to foreclose this trust deed advertisement and sale. In the latter event the beneficiary or the trustee shall cause notice of foreclosure to be recorded his written notice of default and his election to sell the said described real property to satisfy the obligations secured hereby, whereupon the trustee shall file the time and place of said foreclosure 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 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 the deed to foreclose may pay to the beneficiary or his successors in interest, respectively, the entire amount of the debt and interest then due 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 in excess of \$100.00) by law or otherwise, and such payment shall constitute full and complete satisfaction of the debt and principal as would not then be due, and no deficiency shall be claimed by the principal or any other person, and no deficiency judgment shall be entered in the event of the default, in which event all foreclosure proceedings shall be dismissed by the court.

14. Otherwise, the sale shall be held on the date and at the time and place designated in the notice of sale or at the time and place 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 to the purchaser, with any covenant or warranty, express or implied. The recitals in the deed of any such sale 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) to the obligation secured by the trust deed, (3) to all persons having recorded claims 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, in proportion to their interest in the trust.

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, and without conveyance to the successor trustee, the latter shall be vested with all title, powers and authority conferred upon any trustee herein named or appointed hereunder. Each such appointment and substitution shall be made by written instrument executed by beneficiary, containing a declaration that 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 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.

TS234

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

Mortgage to State Department of Veterans Affairs dated March 13, 1981
Pacific Power and Light lien dated May 27, 1982

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.

Gerald E. Vermillion
Gerald E. Vermillion

Mary E. Vermillion
Mary E. Vermillion

* 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.
I, Gerald E. Vermillion and Mary E. Vermillion, do hereby certify that the foregoing instrument to be their voluntary act and deed.

STATE OF OREGON, County of _____, ss.

Personally appeared _____, 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)

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

(OFFICIAL SEAL)

Notary Public for Oregon

My commission expires: 1/13/85

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____, at _____, Oregon.

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.

Grantor
Beneficiary
AFTER RECORDING RETURN TO:
MOUNTAIN-TITLE COMPANY
SP353

SPACE RESERVED FOR RECORDER'S USE

RECORDER'S USE

STATE OF OREGON, } ss.

County of _____

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/tee/file/instrument/microfilm No. _____. Record of Mortgages of said County. Witness my hand and seal of County affixed:

NAME

TITLE

By _____

Deputy

JS230

EXHIBIT "A"

DESCRIPTION

A tract of land in the NW¼NW¼ Section 25, Township 39 South, Range 9 East of the Willamette Meridian, more particularly described as follows:

Commencing at the Southeast corner NE¼NW¼ Section 25; thence South 89° 33' West on centerline of Henley Road 2172.58 feet; thence North 0° 39' East 30.01 to a point of beginning; thence North 0° 39' East 563.83 feet to an iron pipe on Northwesterly boundary A-4-B Lateral; thence North 51° 28' East on said Lateral 739.12 feet; thence South 89° 58' West 1062.75 feet more or less to West boundary of Section 25; thence South 0° 20' West along West Boundary Section 25 1027.46 feet to North boundary of Henley Road; thence North 89° 33' East along said road 484.17 feet more or less to point of beginning.

STATE OF OREGON,)
County of Klamath)

Filed for record at request of

on this 29 day of July A.D. 19 83

" 11:26 o'clock AM and duly

recorded in Vol. M83 of mtges

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EVELYN BIEHN, County Clerk

Ann Lewis Deputy
12.00