

**38695**

## TRUST DEED

Vol. 784 Page 11734 

as Grantor, SANTIAM ESCROW, INC., an Oregon corporation  
INVESTORS MORTGAGE CO., an Oregon corporation, as Trustee, and

*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 6, Block 44, KLAMATH FALLS FIRST ADDITION, in the City of Klamath Falls, in the County of Klamath, State of Oregon.

SUBJECT TO Restrictions, but omitting restrictions, if any, based on race, color, religion or national origin, as shown on the recorded plat of Klamath Falls First Addition.

SUBJECT TO Regulations, including levies, liens and utility assessments of the City of Klamath Falls.

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 FOURTEEN THOUSAND FIVE HUNDRED 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 ----- 10

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.

*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 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 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 \$14,500.00, written in corporate acceptable form.

companies acceptable to the beneficiary, with loss payable to the lender. Policies of insurance shall be delivered to the beneficiary as soon as insured; if the grantor shall fail for any reason to procure any such insurance and to deliver policies to the beneficiary at least fifteen days prior to the expiration of any policy, the beneficiary, hereafter placed on said buildings, the beneficiary may procure the same at the expense of the lender. The amount collected under any fire or other insurance policy may be applied by the 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 assigned to grantor. Such application or release shall not cure or waive any default, and notice of default hereunder or invalidate any act done pursuant to said notice.

act done pursuant to such notice.

It is to be kept said premises free from construction liens and to pay all taxes, assessments, taxes, levies and charges that may be levied or assessed upon or against said property before any part of such taxes, assessments, taxes, levies or charges become past due or delinquent and 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 to make such payment, beneficiary may sue beneficiary with funds with which to make such payment, beneficiary may sue beneficiary with funds with which to make such payment, and the amount so paid, with interest at the rate set forth in the note herein, 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 deed, and the grantor shall be liable for any rights arising from breach of any of the covenants hereof and for such amount, and the grantor shall be bound to the property hereinbefore 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 demand or notice of default therefor shall, at the option of the beneficiary, render all sums so secured by this 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.

to                      defend any action or proceeding purporting to affect the security 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 this deed, to pay all costs and expenses, including the reasonable attorney's fees of the trustee's attorney's fees; the amount of attorney's fees mentioned in this paragraph shall be as determined by the trial court and in the event of an appeal from any judgment or decree of the trial court, grantor further agrees to pay such sum as the attorney's fees on such appeal shall be 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 as compensation for such taking shall be applied to the amount required to pay all reasonable costs, expenses and attorney's fees not incurred or incurred by grantor in such proceedings, shall be paid to beneficiary and the balance applied upon any reasonable costs and expenses and attorney's fees, and the balance applied upon any reasonable costs and expenses and attorney's fees, and the balance applied upon the indebtedness secured hereby; and grantor agrees, at its own expense, to take such actions as may be necessary to obtain 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 laboration or other agreement affecting this deed or the lien or charge thereon; (d) recover, without warranty, all or any part of the property. The grantee in any recovery may be described as the "person or persons legally entitled thereto," and the recitals thereon in 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

10. By my default by grantor hereunder, beneficiary may at any  
time without notice, either as a person, by agent or by a receiver to be ap-  
pointed by a court, and without the necessity of any security for  
the indebtedness hereby secured, enter upon and take possession of all  
property or any part thereof, in its own name sue or otherwise collect the rents,  
issues and profits, including those past due and unpaid, and apply the same,  
less the expenses of operation and collection, including reasonable attor-  
ney's fees upon the indebtedness secured hereby, and in such order as bene-  
ficiary 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 due and immediately due and payable. In such an event the beneficiary at his election may cause to be recorded his written notice in equity 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 foreclose. Upon the recording of such notice the beneficiary or the trustee shall thereupon cause to be sold the real property to satisfy the obligations secured hereby, whereupon the trustee shall file 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 default on any payment 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 terms of the obligation may, at the option of the beneficiary or his successors in interest, respectively, the entire amount then due on the obligation, including interest, 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 amount of the obligation) and the principal of the obligation, together with 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 court.

14. Otherwise, the sale shall be held on the date and at the time and place designated in the notice of sale, 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 the time and place designated in the notice of sale, payable at the time of sale. Trustee shall deliver to the purchaser its deed of conveyance for the property sold, the property so sold, but without any covenant or warranty, express or implied. The initials in the deed of any matters of fact shall be conclusive proof of the truth of the facts stated therein by 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 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 term provided by the beneficiary may from time to time appoint a successor or successors to any trustee named hereon 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, duties and responsibilities of the trustee named or appointed hereunder. Each such appointment and substitution shall be made in an instrument executed by beneficiary, containing reference to this trust deed. Clerk or Recorder of the county in which the County Trust 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 1984-85 real property taxes; a lien but not yet payable

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 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.~~

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.

July 10, 1984

Personally appeared the above named  
Lloyd Baker

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:

and acknowledged the foregoing instrument to be \_\_\_\_\_ this  
voluntary act and deed.

Before me:

(OFFICIAL SEAL)

Notary Public for Oregon

My commission expires: 10-8-86

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)

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

LLOYD BAKER

Grantor

INVESTORS MORTGAGE CO.

Beneficiary

AFTER RECORDING RETURN TO

INVESTORS MORTGAGE CO.

P. O. Box 515

Stayton, OR 97383

SPACE RESERVED  
FOR  
RECORDER'S USE

Fee: \$8.00

STATE OF OREGON,  
County of Klamath } ss.

I certify that the within instrument was received for record on the 11 day of July, 1984, at 3:59 o'clock P.M., and recorded in book/reel/volume No. M84 on page 11734 or as fee/file/instrument/microfilm/reception No. 38695, Record of Mortgages of said County.

Witness my hand and seal of County affixed.

Evelyn Biehn, County Clerk

By Ann Smith Deputy