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MTC 4388-K  
TRUST DEED

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THIS TRUST DEED, made this 19th day of December, 1984, between JAMES F. BENSON and JOANNA R. BENSON, husband and wife

as Grantor, MOUNTAIN TITLE CO., INC.

BRADFORD W. KALITA  
as Beneficiary,

1984, Between

as Trustee, and

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 27 and 28, Block 4, ORIGINAL TOWN OF CHILOQUIN, according to the official plat thereof on file in the office of the County Clerk of Klamath County, Oregon; EXCEPTING THEREFROM that portion of Lot 27 only by instrument recorded May 26, 1983, in Volume M83, page 8277, Microfilm Records of Klamath County, Oregon, to wit:

The North 20 feet of Lot 27, Block 4, ORIGINAL CITY OF CHILOQUIN, Klamath County, Oregon, being the 20 foot portion of Lot 27 that is parallel and adjacent to Lot 26 of said Block 4.

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 SEVENTEEN 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

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.

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 at the cost and workmanlike destroyed person, 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 file a copy of the beneficiary's statements pursuant to the Uniform Commercial Code as the beneficiary may require and to pay for filing same in the public office or offices, as well as the cost of all lien searches made by third parties or searching agencies as may be deemed desirable by the beneficiary.

4. To provide and continuously maintain insurance on the buildings and other improvements on the premises against loss or damage by fire and other hazards as the beneficiary may from time to time require, in an amount not less than \$100,000 full insurable value, written in policies of insurance shall be delivered to the beneficiary as soon as insured; all of the grantor shall fail for any reason to procure any such insurance and the beneficiary may procure the same at grantor's expense. The amount of any policy of insurance shall be at least fifteen days prior to the expiration of the policy to the beneficiary 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 by this deed, shall be added to and become a part of the debt secured by this deed, without waiver of any rights arising from breach of any of the covenants hereunder and for such payments, with interest as aforesaid, the proper amount shall be added to and become a part of the debt secured by this deed, 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.

5. 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 before any part of such taxes, assessments and other 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 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 by this deed, shall be added to and become a part of the debt secured by this deed, without waiver of any rights arising from breach of any of the covenants hereunder and for such payments, with interest as aforesaid, the proper amount shall be added to and become a part of the debt secured by this deed, 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 less actually incurred.

7. To appear in 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 foreclosure of this deed, to pay all costs and expenses, including attorney's fees mentioned in this paragraph 7 in all cases shall be borne by the trust and in the event of an appeal from any judgment or decree of the court, grantor further agrees to pay such sum as the court shall award as reasonable to the beneficiary or trustee's attorney.

8. It is mutually agreed that in the event that any person 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 proceeds payable to pay all reasonable costs, expenses and attorney's fees mentioned in paragraph 7 incurred by grantor in such proceedings shall be paid to beneficiary and both in the final and apportioned costs and expenses and attorney's fees, beneficiary in such proceedings, and the balance applied upon the indebtedness secured hereby; and grantor agrees, at its own expense, to take such action, permit, 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 reconveyance, 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 subordination or other agreement affecting this deed or the lien or charge thereon; (d) reconvey, without warranty, all or any part of the property. The grantor in any reconveyance may be described as the "person or persons legally entitled thereto," and the recitals 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 a 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 premises and profits, including those past due and unpaid, and apply the same, less costs and 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 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 election may proceed to foreclose this trust deed 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 hereby whereupon the trustee shall fix 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 86.735 to 86.795.

13. After the trustee has commenced foreclosure by advertisement and sale, and at any time prior to 5 days before the date the trustee conducts the sale, the grantor or any other person so privileged by ORS 86.753, may cure the default or defaults. If the default consists of a failure to pay, when due, the entire amount due by the trust deed, the default may be cured by paying the not then due had no default occurred. Any other default that is capable of being cured may be cured by tendering the performance required under the obligation or trust deed. In any case, in addition to curing the default or defaults, the person effecting the cure shall pay to the beneficiary all costs together with trustee's and attorney's fees not exceeding the amounts provided by law.

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 as sold, but without any covenant or warranty, express or implied, 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 recorded liens subsequent to the date of the trustee's deed, 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. 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 duties conferred upon any trustee herein named or appointed hereunder. Each such appointment and substitution shall be made by written instrument executed by beneficiary, which, when recorded in the mortgage records 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 696.535.

The grantor covenants and agrees to and with the beneficiary and those claiming under him, that he is law-  
fully seized in fee simple of said described real property and has a valid, unencumbered title thereto except  
none

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 real property or for the payment of a debt secured by a mortgage on real property~~

This deed applies to, inures to the benefit of and binds all parties hereto, their heirs, legatees, devisees, administrators, execu-  
tors, 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.

X *James F. Benson*  
JAMES F. BENSON  
X *Joanna R. Benson*  
JOANNA R. BENSON

(If the signer of the above is a corporation,  
use the form of acknowledgment opposite.)

STATE OF ~~OREGON~~ CALIFORNIA )  
County of Santa Cruz ) ss.  
January 4, 19 84

Personally appeared the above named  
JAMES F. BENSON and JOANNA R. BENSON

(ORS 93.450)

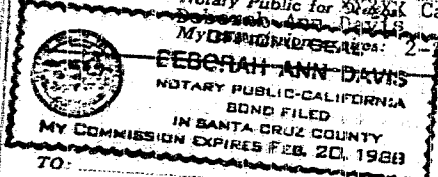
STATE OF OREGON, County of \_\_\_\_\_ ) ss.  
Personally appeared \_\_\_\_\_, 19 \_\_\_\_\_

\_\_\_\_\_ and  
duly sworn, did say that the former is the \_\_\_\_\_ who, each being first  
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:

ment to be and acknowledged the foregoing instru-  
THEIR voluntary act and deed.  
Before me:

(OFFICIAL  
SEAL)  
*Deborah Ann Davis*  
Notary Public for ~~Oregon~~ California  
My commission expires: 2-20-88



Notary Public for Oregon  
My commission expires:

(OFFICIAL  
SEAL)

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

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. 281-1)

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

James F. Benson & Joanna R. Benson

Grantor

Bradford W. Kalita

Beneficiary

AFTER RECORDING RETURN TO

MOUNTAIN TITLE CO., INC.

SPACE RESERVED  
FOR  
RECORDER'S USE

STATE OF OREGON  
County of Klamath } ss.

I certify that the within instru-  
ment was received for record on the  
10th day of January, 19 85  
at 11:07 o'clock A.M., and recorded  
in book/reel/volume No. M85 on  
page 532 or as document/fee/file/  
instrument/microfilm No. 44865  
Record of Mortgages of said County.

Witness my hand and seal of  
County affixed.

Evelyn Biehn, County Clerk

By *Ben Smith* Deputy

Fee: \$9.00