

49094

TRUST DEED

Vol. MSB Page 7726THIS TRUST DEED, made this 13th day of May, 1985, betweenMARGARET ANN COURTICE, a divorced woman  
as Grantor, MOUNTAIN TITLE CO., INC.GARY J. TERPENING and LINDA M. TERPENING, 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:The N $\frac{1}{2}$ SW $\frac{1}{4}$  of Section 31, Township 36 South, Range 12 East of the Willamette Meridian, Klamath County, Oregon.TOGETHER WITH a non-exclusive easement over the East 60' of Government Lot 2 lying South of Highway 140, the East 60' of Government Lot 3 and the East 60' of the North  $\frac{1}{2}$  of Government Lot 4, Section 31, Township 36 South, Range 12 East of the Willamette Meridian, for ingress and egress to and from the subject property.

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 FIFTEEN THOUSAND NINE HUNDRED THIRTY FIVE and 25/100 (\$15,935.25) 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, ifnot sooner paid, to be due and payable January 1, 1991.  
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, to remove or demolish any building or improvement thereon; 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.
2. To comply with all laws, ordinances, regulations, covenants, conditions and restrictions affecting said property; if the beneficiary so requests, to file 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 the filing officers or searching agencies as may be deemed desirable by the beneficiary.
3. To provide and continuously maintain insurance on the buildings and such other hazards as the beneficiary may from time to time require, in an amount not less than FULL VALUE of the property, written in 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 said policies to the beneficiary, the beneficiary may, at the expiration of any policy of insurance now or hereafter placed on said buildings, collect upon any fire or other insurance policy may be applied by beneficiary upon any fire or other insurance policy may be applied by beneficiary may determine, or at option of beneficiary the entire amount so collected, or any part thereof, may be released to grantor. Such application or release shall not cure or waive any default or notice of default hereunder or invalidate any action done pursuant to such notice.
4. 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 premises 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 hereby, to the extent of 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 breach of any of the covenants hereof and for such payments, with interest as aforesaid, the promisee hereunder described, as well as the grantor, shall be bound to the extent that they are bound for the payment of the obligation herein 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.
5. 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.
6. 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 evidence of title and the beneficiary's or trustee's attorney's fees; the amount of attorney's fees mentioned in this paragraph 7 in all cases shall be fixed 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 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 as compensation for such taking, which are in excess of the amount required to pay all reasonable costs, expenses and attorney's fees necessarily paid or incurred by it first upon any reasonable costs and expenses and attorney's fees, and 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 agrees, at its own 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 expenses 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 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 grantee in any reconveyance may be described 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 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 property, and all 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 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 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 at the time of the cure other than such portion as would not then be 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 and expenses actually incurred in enforcing the obligation of the trust deed 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 so 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 to attorney, (2) 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 deed or 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. 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 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 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.

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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  
Mortgage in favor of State of Oregon, Department of Veterans' Affairs (M80855), which  
buyer herein agrees to assume and to pay in full  
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 for 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, 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.

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

STATE OF OREGON  
County of Klamath } ss.  
5/23, 1985  
Personally appeared the above named

Charles R. Dehlinger, as Attorney  
in fact for Margaret Ann Courtice

and acknowledged the foregoing instru-  
ment to be voluntary act and deed.  
Before me:  
Patricia Spencer  
Notary Public for Oregon  
My commission expires: 8/16/88

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:

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\_\_\_\_

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.

Beneficiary

TRUST DEED  
(FORM No. 881)  
STEVENS-NESS, LAW/PUB. CO., PORTLAND, ORE.

Grantor  
Margaret Ann Courtice  
Gary J. Terpening & Linda M. Terpening  
Beneficiary

AFTER RECORDING RETURN TO  
Mountain Title Co. Inc.

STATE OF OREGON,  
County of Klamath } ss.  
I certify that the within instrument  
was received for record on the 23rd day  
of May, 1985,  
at 4:03 o'clock P. M., and recorded  
in book/reel/volume No. M85 on  
page 7726 or as fee/file/instru-  
ment/microfilm/reception No. 49094,  
Record of Mortgages of said County.  
Witness my hand and seal of  
County affixed.

Evelyn Biehn, County Clerk  
NAME  
By Ann Smith TITLE  
Deputy

Fee: \$9.00