

8065

May

~~19 85~~ between

Klamath County Title Co., as Trustee, and

as Beneficiary.

WITNESSETH:

Grantor irrevocably grants, bargains, sells and conveys to trustee in trust, with power of sale, the property
Klamath County, Oregon, described as:

~~Lot~~ 36, Block 28, Tract 1113, OREGON SHORES SUBDIVISION, UNIT # 2, according to the
~~official~~ plat thereof on file in the office of the County Clerk, Klamath County, 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 Four Thousand Seven Hundred Twelve Dollars and 55/100 = = = =

sum of Four Thousand Seven hundred twelve Dollars and 99/100 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 10, 1990 date on which the final installment of said note

not sooner paid, to be due and payable June 10, 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.

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 \$ 4,712.55, written in

an amount not less than \$ 4,112.00 fifteen (15) days prior to the expiration of the term of the insurance policy, or to the beneficiary, with interest payable to the latter, if the company acceptable to the beneficiary, as beneficiary as soon as insured; (2) if the beneficiary fails for any reason to procure any such insurance and to deliver said policies to the beneficiary at least fifteen days prior to the expiration of any policy of insurance now or hereafter placed in effect by the beneficiary, the beneficiary may procure the insurance policy to be substituted for the policy collected under the said insurance policy at the expense of the beneficiary. The amount of any indebtedness secured hereby and in such order as beneficiary may determine, or at option of beneficiary the entire amount so collected, shall be a debt of the beneficiary to the beneficiary, and the beneficiary shall not cure or waive any breach or notice of default hereunder or invalidate any agreement for such notice.

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 or charges payable by grantor either

to beneficiary; should the grantor fail to make payment of any taxes, assessments, insurance premiums, liens or other charges payable by grantor, then the beneficiary shall have the option, at its sole discretion, of either (a) making such payment by direct payment or by providing beneficiary with the cash or cash equivalent to make such payment, beneficiary's option, make payment thereof, and the monies so paid, with interest at the rate set forth in the note secured by the monies so paid, 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 the nonpayment of the covenants hereof and for such payments, (b) if the grantor, shall be bound to the property hereinbefore described, they are bound for the payment of the obligation hereinbefore described, and all such payments shall be immediately due and payable with interest at the rate set forth in the note secured by the property hereinbefore under notice, and the nonpayment thereof shall, at the option of the beneficiary, render all sums secured by this trust deed immediately due and payable.

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 in and defend any action or proceeding purporting to affect the 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, expenses, attorney's fees, including evidence of title and other matters mentioned in this paragraph 7 in all cases shall be borne by the trial court and in the event of an appeal from any judgment rendered by the trial court, grantor further agrees to pay the costs and expenses of the trial court, grantor further agrees to pay the costs and expenses of the appellate court should any appeal be taken from the beneficiary's or trustee's appeal.

It is mutually agreed that:

It is mutually agreed that:

8. In the event that any portion of all of said proceeds shall be taken under the right of eminent domain for condemnation, beneficiary shall have the right, if it so elects, to require that all or any portion of the monies payable under the condemnation 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 grantor in such proceedings, be paid to beneficiary, and the balance applied by grantor in such proceedings, necessarily paid or incurred by beneficiary both in the trial and appellate courts, and the balance applied upon the indebtedness secured hereby; and grantor agrees, at its own expense, to take such action to secure and execute such instruments as may be deemed necessary in obtaining such monies for the benefit of 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 subordination or other agreement affecting this deed or the loan or charge thereof; (d) reconvey, without warranty, all any part of the property. The grantee in any reconveyance shall 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 actions 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 letter to be appointed by court, cause the property to be sold in full satisfaction of any security for the indebtedness hereby secured, enter upon and take possession of said 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 to the payment of the principal and interest on the indebtedness and of all reasonable attorney's fees 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's 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 to sell the said described real property to satisfy the indebtedness secured hereby whereupon the trustee shall proceed to place of sale, give notice thereof in the manner 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 86.75.3, may cure the default or defaults of the trust. If the default is a failure to pay, when due, the entire amount due the trust, the default may be cured by paying the sum of the 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 be responsible for the beneficiary all costs and expenses actually incurred in enforcing the obligation of the trust deed 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 or to the person or persons designated by the Trustee to purchase its deed in form as required by law conveying the property so sold, but without any covenant or warranty, express or implied. The recitals in the deed of the trustee shall be conclusively evidence of the truthfulness of the same, and any matters of fact shall be conclusively established by the recitals in the deed of the trustee. The trustee, but including the trustee, 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 his attorney, (2) to the obligation secured by the trust deed, (3) to all persons having recorded liens subsequent to the date 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. Beneficiary may from time to time appoint a successor or successors to any trustee named herein or any successor trustee appointed hereunder. Upon each 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.

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 Dead 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 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.

* 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.

5/31, 1985

Personally appeared the above named

Hoy S. JOHNSON

STATE OF OREGON, County of _____ } ss.

Personally appeared _____, 19____, 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:

(OFFICIAL SEAL)

Before me:

Notary Public for Oregon

My commission expires: 11/7/86

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.

Hoy Johnson

Grantor

Motor Investment Company

Beneficiary

AFTER RECORDING RETURN TO
Motor Investment Company
531 S. 6th - PO Box 309
Klamath Falls, Ore. 97601

SPACE RESERVED
FOR
RECORDER'S USE

STATE OF OREGON, } ss.
County of Klamath

I certify that the within instrument was received for record on the 31st day of May, 1985, at 3:36 o'clock P.M., and recorded in book/reel/volume No. 235 on page 8065 or as fee/file/instrument/microfilm/reception No. 49329, Record of Mortgages of said County.

Witness my hand and seal of County affixed.

Evelyn Biehn, County Clerk

NAME

TITLE

By Tom Smith Deputy

Fee: \$9.00