

IN-1

49415

TRUST DEED

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THIS TRUST DEED, made this 30th day of May, 1985, between

as Grantor, ASPEN TITLE & ESCROW, INC., an Oregon Corporation, as Trustee, and
EARL E. JONES and EVA J. JONES, husband and wife with right of survivorship
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 3, Block 1, KOERTJE KOURT, TRACT NO. 1059, in the County of Klamath,
State of Oregon.

THIS TRUST DEED IS A SECOND TRUST DEED AND IS BEING RECORDED SECOND AND JUNIOR TO A FIRST TRUST DEED IN FAVOR OF KLAMATH FIRST FEDERAL SAVINGS AND LOAN ASSOCIATION.

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 THIRTY-FIVE THOUSAND FOUR HUNDRED SEVENTY-TWO and 09/100ths

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 July 1, 1993
The date of maturity of the debt

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, at the beneficiary's option, all obligations secured by this instrument, irrespective of the maturity dates expressed therein, 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; not to remove or demolish any building or improvement thereon; and not to commit or permit any waste of said property.
2. To complete

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 and ordinances.

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 \$ Insurable value written in companies acceptable to the beneficiary.

an amount not less than the insurable value written in companies acceptable to the beneficiary, with loss payable to the latter; all 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 at least fifteen days prior to the expiration of any policy of insurance now or hereafter placed on said buildings, the beneficiary may procure the same at grantor's expense. The amount of any insurance under any fire or other insurance policy may be applied to the beneficiary upon the indebtedness secured hereby and in such order as beneficiary may determine. In the event 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 hereunder or invalidate any act done pursuant to 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 donor

beneficiary; should the grantor fail to make payment of any receipts therefrom, the grantor shall remain obligated to the beneficiary, and should the grantor, by direct payment, premiums, liens or other charges payable by grantor, either make such payment, beneficiary may, at the option of the beneficiary, 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 4 and 5 of the trust deed, shall be added to and become a part of the debt secured by this trust deed, without loss of the rights arising from breach of any of the covenants hereof and for such payment, the rights arising from breach of any of the covenants hereof, as well as the grantor's obligations as aforesaid, the proposed trustee, that they are bound for the payment of the obligations described in paragraphs 4 and 5 of the trust deed, and the payments shall be immediately due and payable without notice, and the payments hereof 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 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 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 such as the foreclosure of this deed, to pay all costs and expenses, including evidence of title and the beneficiary's or trustee's fees; the amount of attorney's fees mentioned in this paragraph 7 in all cases shall be fixed by the court and in the event of an appeal from any judgment or decree of the trial court, the appellant 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:

(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 thereof; (d) reconvey, without consideration, any or any part of the property. The grantee, entitled thereto, may be described in the "person or persons to be conveyed" clause of this deed, and the recitals therein of any matters or facts shall 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 debt or any part thereof, in its own name sue and take possession of said property and profits, including those past due and unpaid, and collect the rents, 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 to 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 action 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 hereby immediately due and payable. In such an event the beneficiary at his option may proceed 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 and trustee shall execute and cause to be recorded his written notice of default and his election to sell the property subject to this trust deed to foreclose this trust deed hereby, whereupon the trustee shall use his best efforts to satisfy the obligations secured hereof as then required by law and to cause the time and place of sale, give notice in the manner provided in ORS 86.740 to 86.795, to foreclose this trust deed in

13. Should the beneficiary elect to foreclose by advertisement and sale then after default at any time prior to five days before the date set by the trustee for the trustee's sale, the beneficiary or other person so privileged by the ORS 86.760, may pay to the beneficiary or his successors in interest, respectively, the entire amount then due under the terms of the trust deed 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 amounts provided by law) other than such portion of the principal as would not then be due had no default occurred, and thereby terminate the trust, in which event all foreclosure proceedings shall be dismissed by the trustee.

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 or more parcels or in several parcels and shall sell the parcel or parcels at auction to the highest bidder and shall be 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 by law conveying. The recitals in the deed of any matters of fact 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, in-attorneys' fees, (2) to the obligation secured by the trust deed, (3) all persons having recorded liens subsequent to the interest of the trustee in the trust property, in the order of their priority and (4) the surplus, if any, to the grantor or to his successor in interest, entitled to the surplus.

16. For any reason permitted by law beneficiary may from time to time appoint a successor or successors to any trustee named here and to any successor so appointed hereunder. Upon such appointment, and without conveyance to the appointed 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, containing reference to this trust deed and to the 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.

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

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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, 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.
June 3, 19 85.

Personally appeared the above named
Ruth M. Madden

and acknowledged the foregoing instru-
ment to be her voluntary act and deed.
Before me:
(OFFICIAL SEAL) Evelyn Biehn
Notary Public for Oregon
My commission expires: 3-22-89

STATE OF OREGON, County of _____) ss.

Personally appeared _____

_____ 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 _____

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

Aspen Title
Attn: Collection Dept.

SPACE RESERVED
FOR
RECORDER'S USE

Fee: \$9.00

STATE OF OREGON,

County of Klamath } ss.

I certify that the within instrument
was received for record on the 4th day
of June, 19 85,
at 11:43 o'clock A M., and recorded
in book/reel/volume No. MS5 on
page S210 or as fee/file/instru-
ment/microfilm/reception No. 49415,
Record of Mortgages of said County.

Witness my hand and seal of
County affixed.

Evelyn Biehn, County Clerk

NAME

TITLE

By J.P. Smith Deputy