

STEVENS-NESS LAW PUBLISHING CO., PORTLAND.
Vol. M85 Page 13086

52240

TRUST DEED

THIS TRUST DEED, made this 15th day of August, 1985, between
JOHN W. HOUSER and NEOLA V. HOUSER, husband and wife

as Grantor, Key Title and Escrow Companies

EDNA EARLEEN ELLIS and ARTHUR P. ELLIS, or the survivor thereof
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 91, Block 1, SUN FOREST ESTATES, Tract 1060, according to the official plat thereof on file in the office of the County Clerk of 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 Two thousand, five hundred and no/100ths Dollars, with interest thereon according to the terms of a promissory note made by grantor to grantee on this 1st day of April 1962, to wit: Five hundred and no/100ths Dollars, with interest hereof, if

sum of Two thousand, five hundred and no/100ths -----
 ----- (\$2,500.00) ----- 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 August 1, 1986.
 The debt secured by this instrument is the debt, stated above, on which the final installment of said note
 is due, and the debt secured by this instrument is the debt, stated above, on which the final installment of said note

note of even date herewith, payable to beneficiary or order of beneficiary, dated August 1, 1986,
not sooner paid, to be due and payable August 1, 1986, on which the final installment of said 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. 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 property is not currently used for agricultural, timber or grazing purposes.

To protect the security of this trust deed, grantor agrees:

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 and pay when due all costs incurred therefor.

3. To comply with all laws, ordinances, regulations, rules, codes, rules of the building, covenants, conditions and restrictions affecting the building, and to pay for the same, the beneficiary so requests, to join in executing such laws, ordinances, regulations, rules, codes, rules of the building, covenants, conditions and restrictions, and to pay for filing same in the public office or offices, as well as the cost of all liens, searches, mortgages, judgments, judgments of the court, and all other expenses, costs, charges, fees, taxes, and expenses, which may be deemed desirable by the beneficiary.

by filing officers or searching agencies. The insured buildings now or hereafter erected on the said premises against loss or damage by fire and such other hazards as the Insurable value written in an amount not less than the beneficiary, with loss payable to the latter; and companies insuring the beneficiary shall be delivered to the beneficiary as soon as the insurance shall be delivered to the beneficiary and such insurance and to the grantor shall fail for any reason to procure within fifteen days prior to the expiration of said policy to the beneficiary less now or hereafter placed on said buildings, the beneficiary shall procure the same at grantor's expense. The beneficiary shall under any fire or other insurance policy may be issued as beneficiary upon any indebtedness secured hereby and the entire amount so collected, or may determine, or at option of the beneficiary, the entire amount so collected, or any part thereof, may be assigned to grantor. Such application or release shall not cure or void the default or notice of default hereunder or invalidate any action 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, the grantor hereby binds himself, his heirs, assigns and all his successors in interest; and the grantor shall be bound to pay by direct payment or by providing for the payment of any such taxes, assessments, insurance premiums, liens or other charges payable by grantor, either by direct payment or by providing for the payment of such taxes, assessments, insurance premiums, liens or other charges, make such payment, together with interest at the rate set forth in the note secured by this deed, and the amount of such taxes, assessments, insurance premiums, liens and the amount of such interest, with the obligations described in paragraphs 1 and 2 of this hereby, together with the obligations described in paragraphs 3 and 4 of this hereby, shall be added to and become a part of the principal of the note secured by this trust deed, without waiver of any rights arising from breach of any of the covenants hereof and for such payments, the grantor, shall be bound to the same extent that the grantor is bound for the payment of the obligation herein described, and all such payments shall be immediately due and payable upon notice of the nonpayment thereof 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 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. I 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 of the beneficiary 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 moneys payable as compensation for such taking, which are in excess of the necessarily paid or to pay all reasonable costs, expenses and attorney's fees to beneficiary and to pay all by grantor in such proceedings, shall be paid to beneficiary and applied by it first upon any reasonable costs and expenses and attorney's fees, applied by it in the trial and appellate courts and the balance applied upon the indebtedness in such proceedings and the balance of the proceeds of such sale, shall be secured hereby; and instruments as shall be necessary in obtaining such compensation shall be executed by beneficiary at its own expense, to take such actions and execute such instruments as shall be necessary in obtaining such compensation 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 said person for the payment of the indebtedness, trustee may

(c) consent to the making of any map or plat of said property; (d) join in granting any easement or creating any restriction thereon; (e) join in any subordination or other agreement affecting this deed, the lien or charge created hereby, or any part of the property. The recitals herein shall constitute conclusive proof of the truthfulness thereof. Trustee's fees for any of the services mentioned in this paragraph shall be not less than \$_____ immediately payable at any time.

10. Upon any default by grantor hereunder, beneficiary may, at any time without notice, either in person, by agent or by attorney, enter upon and take possession of said property for the indebtedness hereinbefore mentioned, and may sell or otherwise dispose of the same, with or without the aid of a court, and may sue and recover the same, and the issues and profits, including those past due and otherwise collected, and the less costs and expenses of operation and collection, including reasonable attorney's fees and expenses, as may be determined by a court of competent jurisdiction, 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.

waive any default of notice or attachment of the property of the grantor pursuant to such notice. 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 or her option may proceed to foreclose this trust deed by exercising the power of sale herein provided. The beneficiary may also elect to execute and cause to be recorded his written notice of default and his election to sell the said described real property. The beneficiary shall have the obligation secured hereby whereupon the trustee shall fix the time and place of sale, give notice thereof as the trustee is 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 trustee conducts a failure to pay, when due, the default or defaults, if the trustee conducts the default may be cured by paying the sums secured by the trust deed or the cure other than such portion as is due to the lender around due the trust deed. If the trustee conducts the default or defaults, then be due had no default occurred. Any other default or defaults, the sums secured by the trust deed, in addition to curing the default or obligation 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 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 so sold, but without any covenant or warranty, express or implied. The recitals in the deed of any matters of fact shall be conclusively 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, including the compensation of the trustee and a reasonable charge by trustee's attorney, (2) to the obligation secured by the mortgage, (3) to all persons having recorded liens, (4) to the interest of the trustee in the trust having recorded liens, (5) to the interest 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 to any 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 in any instrument executed by Beneficiary, and substitution shall be made by written record in 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.

13087

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 Deschutes) ss.
August 15, 1985.

Personally appeared the above named

John W. Houser & Neola V. Houser

and acknowledged the foregoing instrument to be their voluntary act and deed.

(OFFICIAL SEAL)

Notary Public for Oregon

My commission expires: 1/3/88

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:

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.

HOUSER, John W. & Neola V.

Grantor

ELLIS, Edna Earleen &
Arthur P.

Beneficiary

AFTER RECORDING RETURN TO

Edna E. Ellis
H.C. 61 Box 1243
LaPine, OR 97739

SPACE RESERVED
FOR
RECORDER'S USE

STATE OF OREGON,)
County of Klamath) ss.

I certify that the within instrument was received for record on the 19th day of August, 1985, at 1:17 o'clock P.M., and recorded in book/reel/volume No. M85 on page 13086 or as fee/tile/instrument/microfilm/reception No. 52240, Record of Mortgages of said County.

Witness my hand and seal of County affixed.

Evelyn Biehn, County Clerk

By [Signature] Deputy

Fee: \$9.00