

57200

## TRUST DEED

STEVENS-NESS LAW PUB CO. PORTLAND, OR. 97202

THIS TRUST DEED, made this 14th

day of January

1986

between

JAMES J. McNEICE and CONNIE J. McNEICE, husband and wife  
as Grantor. MOUNTAIN TITLE COMPANY OF KLAMATH COUNTYGERALD L. HALVA and MODINE M. HALVA, husband and wife  
as Beneficiary.

## WITNESSETH

in Klamath County, Oregon, described as:

Lot 10, Block 1, KELENE GARDENS, according to the official plat thereof on file in the office of the County Clerk of Klamath County, Oregon.

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JAN 1986 PHM

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 SEVEN THOUSAND AND NO/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 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. 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.

1. To protect the security of this trust deed, grantor agrees and agrees not to remove or demolish any building or improvement thereon not to construct or permit any waste of said property.

2. To reconstruct or restore promptly and in good and workmanlike manner any building or improvement which may be constructed, damaged or destroyed thereon and pay whom due all costs incurred therewith.

3. To comply with all laws, ordinances, regulations, covenants, conditions and restrictions affecting said property if the beneficiary so requires in executing such instruments, documents 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 law searches made by filing officers or searching agents as may be deemed desirable by beneficiary.

4. To provide and continuously maintain insurance on the buildings and other hazards as the beneficiary may from time to time require in an amount not less than \$1,000.00 VALUE.

written in policies acceptable to the beneficiary with loss payable to the latter, all premiums thereon shall be delivered to the beneficiary as soon as insured if the grantor shall fail for one reason to procure any such insurance and to deliver such 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 collected under any loss or other insurance policy may be applied by beneficiary upon any indebtedness secured hereby and in such order as beneficiary may determine or at option of beneficiary, the entire amount so collected or any part thereof, may be retained by grantor. Such application or release shall not cause or worse any default or notice of default hereunder or invalidate any notice 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 grantor fail to make payment of any taxes, assessments, insurance premiums, items 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 of ten percent per annum thereon, together with the obligations described in paragraphs 1 and 7 of this trust deed shall be added to and become a part of the debt covered by this trust deed without loss of any rights arising from breach of any of the covenants herein and for any payment with interest as aforesaid, the property hereinabove described as well as the grantor shall be bound to the same extent that they are bound for the payment of the obligation herein described and all such payments shall be immediately due and payable with no notice and the compensation thereof shall be at the option of the beneficiary rendered 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 reasonable worth as well as the other rates 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, pertaining to affect the same, rights or powers of beneficiary or trustee and in any and all proceedings in which the beneficiaries or trustee may appear including any suit for the enforcement of this deed to pay all costs and expenses, including evidence of costs and the beneficiary's or trustee's attorney fees from the trial court and in the event of an appeal from any judgment or appellate court, trustee further agrees to pay such sum as the appellate court shall adjudicate reasonable as the beneficiary's or trustee's attorney fees in such appeal.

It is mutually agreed that

8. In the event that one 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 to him all reasonable costs, expenses and attorney fees necessarily paid or incurred by grantor in such proceedings shall be paid to beneficiary and applied by her to her reasonable costs and expenses and attorney's fees both in the trial and appellate courts necessarily paid or incurred by her 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 presentation of this deed and the note for endorsement in case of full nonpayment for cancellation, without affording the liability of any person for the payment of the indebtedness, trustee may

10. consent to the making of any map or plan of said property, to run in subdivision or other agreement affecting this deed or the tenor or charge thereof, do reconvey without warranty all or any part of the property. Grantor in any reconveyance shall be described as the owner or persons legally entitled thereto, and the initials thereof in any matter of fact shall be conclusive proof of the truthfulness thereof. Trustee's fee for any of the services mentioned in this paragraph shall be not less than \$3.

11. Upon any default by grantor hereunder, beneficiary may at any time without notice, either in person, his agent or by a process to be appointed by a court, and without regard to the adequacy of any security, file a suit in the appropriate court, sue up 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 fees and expenses of operation and collection, including reasonable attorney fees upon any indebtedness secured hereby, and in such order as beneficiary may determine.

12. Upon a failure to make a timely payment of any indebtedness secured hereby in his possession by any agreement hereunder, the beneficiary may declare all sums secured hereby immediately due and payable. In such an event, the beneficiary or his agent may proceed to foreclose this trust deed by notice as a min. legal to demand the trustee to foreclose this trust deed by advertisement and sale. In the sale, over the beneficiaries in 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 obligation secured hereby, whereupon the trustee shall at the time and place of sale give notice thereto as then required by law and proceed to foreclose this trust deed in the manner provided in ORS 83.611 to 83.616.

13. After the trustee has commenced foreclosure by advertisement and sale and at any time prior to 10 days before the date the trustee conducts the sale, the grantor or any other person so privileged by ORS 83.615, may cure the defaults or defaults. If the default consists of a failure to pay when due, the default may be cured by paying the amount due or less than such portion as would not then be due had no default accrued, plus other default that is capable of being cured by rendering the performance required under the obligation or trust deed. In any case, in addition to curing the default, a defaulting person affecting 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 amount 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 in 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 a deed in form as required by law conveying the property so sold but without any covenant or warranty, express or implied. The results in the deed of any matters of fact shall be conclusively prima facie true and correct as to the grantor and the beneficiary, provided 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 the compensation of the trustee and a reasonable charge by trustee's attorney; 2. to the obligation secured by the trust deed. 3. to all premium and reward fees subsequent to the interest of the trustee in the trust deed if there interests may appear in the title of the property and 4. to the surplus if any to the grantor in his interest in interest entitled to such property.

16. Beneficiary may from time to time appoint a successor or trustees under any trustee named herein or in any successor trustee appointed hereunder. Upon such appointment and without consent of 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 a written instrument executed by beneficiary which when recorded in the county recorder 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 herein 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 a lawyer or 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 life insurance company authorized to insure life to real property of the state, or subsidiary of any one of these or branches the United States or any agency thereof, or an escrow agent, except under ORS 896.501 to 896.585.

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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 EXCEPT Mortgage in favor of Director of Veterans' Affairs, recorded September 26, 1977 in Volume M77, page 18027, Microfilm Records of Klamath County, Oregon, which buyer herein agrees to assume and 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 to grantor's personal, family or household purposes (see Important Notice below).  
 (b) for an organization; or (even if grantor is a natural person) are for business or commercial purposes --

This deed applies to, insures 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 a Truth-in-Lending Act and Regulation Z, the beneficiary MUST comply with the Act and Regulation by making required disclosures; for this purpose use Stevens-Hess Form No. 1319, 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 acknowledgement opposite.)

**STATE OF OREGON.**

County of Klamath } ss.

This instrument was acknowledged before me on  
1/14 1986, by

James J. McNeice & Connie J.  
McNeice

NOTARY

... Pamela Spencer  
Notary Public for Oregon  
(SEAL)  
My commission expires 8/16/18

**STATE OF OREGON.**

County of } ss.

This instrument was acknowledged before me on  
19 by

as

of

Notary Public for Oregon

My commission expires

(SEAL)

**REQUEST FOR FULL RECONVEYANCE**

To be used only when obligations have been paid

. Trustee

TO

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

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Do not lose or destroy this Trust Deed OR THE NOTE which it covers. Both must be delivered to the trustee for cancellation before reconveyance will be made.

**Beneficiary**

**TRUST DEED**

(Form No. 881)  
STEVENS-HESS LAW PUB CO PORTLAND ORE

James J. & Connie J. McNeice

Grantor  
Gerald L. Halva & Modine  
M. Halva

Beneficiary  
AFTER RECORDING RETURN TO

MOUNTAIN TITLE COMPANY

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 14th day of January, 1986, at 3:25 o'clock P.M., and recorded in book/reel/volume No. 57250, on page 748, or as fee/file/instrument/microfilm/reception No. 57250, Record of Mortgages of said County.

Witness my hand and seal of County affixed.

Evelyn Biehn, County Clerk  
NAME \_\_\_\_\_  
By \_\_\_\_\_ Title \_\_\_\_\_  
Patsy Smith Deputy