

TRUST 'DEED

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THIS TRUST DEED, made this

Continental Land Title Company, a California corporation

WITNESSETH:

Grantor irrevocably grants, bargains, sells and conveys to
Klamath County, Oregon, described as:

in G. Klamath County, Oregon.

Lot 3 and the North one-half (½) of Lot 4, Block 13, FAIRVIEW ADDITION TO THE CITY OF KLAMATH FALLS, according to the official plat thereof on file in the office of the County Clerk of Klamath County, Oregon.

Lot 9 in Block 24 of FIRST ADDITION TO THE CITY OF KLAMATH FALLS, 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 Twenty-two thousand Ninety-three and 83/100 Dollars, with interest thereon according to the terms of a promissory note dated _____, 19____, made by _____, the undersigned, to _____, the undersigned, as lender, bearing interest at the rate of _____ per annum, payable _____, the undersigned, as borrower, under the following conditions:

sum of Twenty-two thousand and 93/100 Dollars, with interest thereon according to the terms of the
 (\$22,093.83) ----- Dollars, the final payment of principal and interest hereof, if
 note of even date herewith, payable to beneficiary or order and made by grantor, the final payment of principal and interest hereof, if
 April 15, 1986
 not sooner paid, to be due and payable
 the debt secured by this instrument is the date, stated above, on which the final installment of said note
 part thereof, or any interest therein is sold, agreed to be

note of even date herewith, payable to beneficiary of said note on or before April 15, 1986, or if not sooner paid, to be due and payable on 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 hereinafter, 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:

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 obtain and execute such financing statements pursuant to the Uniform Commercial Code as the beneficiary may require and to pay for filing same in the public office or offices, as well as the cost of all searches made by filing officers or searching agencies as may be deemed desirable by the beneficiary.

beneficiary. The provider and continuously maintain insurance on the buildings against loss or damage by fire.

4. To provide for the payment of the said premiums against loss now or hereafter incurred on the said premises against fire and such other hazards as the beneficiary may hereafter determine and such other not less than \$ **Full insurable amount** with loss payable to the latter; all of an amount acceptable to the beneficiary, as soon as insured under policies of insurance shall be delivered to procure any such insurance and to the extent of the said policies, if the beneficiary shall so determine; and if the grantor shall fail for any reason at least fifteen days prior to the expiration of the term of the said policies to deliver said policies to the beneficiary now or hereafter placed on said buildings, the beneficiary may hereafter procure the same at grantor's expense. The amount of the beneficiary may hereafter be applied by the beneficiary as beneficiary may determine, or at option of beneficiary the entire amount so collected, or any part thereof, may be released to grantor. The application or release shall not cure or waive any default or notice of default hereunder or invalidate any action not cure pursuant to such notice.

5. To keep the trust free from construction liens, and to pay all taxes, assessments and other charges that may be levied on the trust property before any part of such taxes, assessments and other charges become past due or delinquent and before the trust deliver receipts therefor to the beneficiary; should the grantor fail to make payment of any taxes, assessments and other charges or other charges payable by grantor, either by direct payment or by paying beneficiary with funds with which the grantor has made such payment, at its option, make payment of such taxes, assessments and the amount so paid, with interest at the rate set forth in paragraph 6 and 7 of the trust deed, together with the obligations described in paragraph 6 and 7 of the trust deed, shall be added to and become a part of the obligations secured by the trust deed, without waiver of any rights of the grantor or beneficiary hereunder, and for such payments with interest as aforesaid, the property hereinafter described, as well as the property hereinafter described, shall be bound to the same extent that they are bound for the payment of the obligation hereinafter described, and all such payments shall be immediately due and payable upon notice, and the grantment thereof shall, at the option of the beneficiary, render all sums secured by this trust deed immediately due and payable at the same time and date of the maturity of the term of this trust including the

6. To pay all costs, fees and expenses of the trustee incurred in connection with or in enforcing this obligation and trustee's attorney fees actually incurred.

in connection with, incurred. To appear in and defend any action or proceeding purporting to affect the security rights or powers of a beneficiary or trustee; and in any action or proceeding in which the beneficiary or trustee may appear, including any suit for the foreclosure of a mortgage or the trustee's attorney's fees; including evidence of a fee mentioned in this paragraph is not admissible in any judgment, decree of the trial court, and in the event of an appeal from any judgment, 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.

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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 incurred by grantor in such proceedings, shall be paid to beneficiary and not by grantor in such proceedings, and costs and expenses and attorney's fees incurred by it first upon any reasonable costs and expenses and attorney's fees incurred by it in the trial and appellate courts, the balance applied upon the indebtedness of beneficiary in such proceedings, and beneficiary agrees, at its own expense, to take such action as may be necessary to secure the balance applied upon the indebtedness secured hereby; and all such instruments as shall be necessary in obtaining such and executing such instruments as beneficiary's request.

9. In the event beneficiary shall, upon written request of

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 not endorsement (in case of full reconveyances, for cancellation), without all the liability of any person for the payment of the indebtedness, trustee

(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 foregoing (a) through (d) reconveyance may be described as the "person or persons granted in any reconveyance may be described as any matters or facts shall legally entitled thereto," and the recitals therein of any matters or facts shall be conclusively proof of the truthfulness thereof, less than \$5.

be conclusive proof that this paragraph shall be not less than \$5.

services rendered by the grantor hereunder, beneficiary may at any time without notice, either in person, by attorney, or otherwise, enter upon and take possession of said property, and the indebtedness hereby secured hereunder, in its own name sue or otherwise for the recovery of the principal and interest thereon, and all losses and profits, including those past due and to become due, and apply the same, less costs and expenses of collection and collection, including reasonable attorney's fees and expenses of collection, to the satisfaction of the beneficiary's interest in the 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 hire 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 of sale. Upon default by grantor in payment of any indebtedness secured hereby or in his performance of any agreement made herewith, the beneficiary may declare all sums secured hereby immediately due and payable. In such an event the beneficiary or its assignee or its attorney may proceed to foreclose this trust deed as if the beneficiary were the owner of the property. The trustee shall execute and cause to be recorded his acknowledgment of default and his election to foreclose this trust deed. The trustee shall use due diligence to sell the said described property to satisfy the obligation secured hereby whereupon the proceeds shall first be applied to the principal and interest thereon then required by law and proceed to foreclose this trust deed in the manner provided in ORS 86.735 to 86.795.

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13. After the trustee has commenced foreclosure by advertisement and sale, at any time prior to 5 days before the date the trustee conducts the sale, the grantor or any other person so privileged under ORS 86.735, may cure the default or defaults. If the default or the default may be cured by paying the sums secured by the trust due at the time of the cure other than such portion of the entire amount due as the trustee determines is not capable of being cured may be cured by tendering the amount in addition to curing the default or defaults, the person effecting the cure shall pay to the beneficiary all costs and expenses incurred in enforcing the obligation of the trust, together with trustee's and attorney's fees not exceeding the amounts provided by law.

by law.

14. Otherwise, the sale shall be held on the date and at the time a place designated in the notice of sale or the time to which said sale may be postponed by law. The trustee may sell said property either in whole or in separate parcels and shall sell the parcels in the order of sale. The highest bidder for cash, in the form as required by law, convey said deliver to the purchaser without any covenant or warranty, express or implied, and without any liability on the part of the trustee, except the liability of the truthfulness thereof. Any purchase at the sale.

of the truthfulness thereof. Any person, including the donor and beneficiary, may purchase at the sale.

15. When trustee shall pursuant to the powers provided herein, trust shall apply the proceeds of sale to payment of (1) the expenses of sale, including the commissions of the trustee and a reasonable charge by trustee (2) to the obligation secured by the trust deed, (3) to the trustee in the having recorded liens subsequent to the interest 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.

surplus, if any, to the grantor or to his successor in interest.

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 in all other circumstances, the successor trustee, the latter shall have all the rights, powers and duties conferred upon the trustee herein named or appointed hereunder. Each such appointment or substitution shall be made by written instrument executed by the 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.

which the property is situated, shall be paid by 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.

trust or of any action or proceeding in which grantor 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 issue 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 676.505 to 676.585.

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. Also this trust deed is intended to secure all future loans or advances that may be made during the time this obligation is outstanding, up to an additional twenty percent of the original face amount stated herein and also any advances made in accordance with the covenants of this agreement to protect collateral. Any such advances shall bear interest from the date made at the rates set forth in the note described above. 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) 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, Jackson }
County of Klamath } ss.
April 15, 1986

Personally appeared the above named

Sheri Anne Evon

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

Before me:

(OFFICIAL SEAL)

Notary Public for Oregon

My commission expires: 12-11-88

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:

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.

FOR A FULL BOOK OF TRUST DEEDS, APPLICATION TO THE CLERK OF COUNTY CLERK, PORTLAND, OREGON.

TRUST DEED

STEVENS-NESS LAW PUB. CO., PORTLAND, ORE.

EVON

Grantor

MILES

Beneficiary

AFTER RECORDING RETURN TO

Southern Oregon Mortgage, Inc.
P.O. Box 1226
Roseburg, OR 97470

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 17th day of April, 1986, at 8:46 o'clock A.M., and recorded in book/reel/volume No. M86 on page 6581 or as fee/file/instrument/microfilm/reception No. 60388. Record of Mortgages of said County.

(Witness) my hand and seal of County affixed.

By Evelyn Biehn, County Clerk

NAME

TITLE

By _____ Deputy

Fee: \$9.00