

## TRUST DEED

as Beneficiary, \_\_\_\_\_

Robert Kennedy and Zedna M. Kennedy, Husband and Wife

THIS DOCUMENT IS BEING RERECORDED  
ADD THE SIGNATURE OF THE NOTARY

WITNESSETH:

THIS DOCUMENT IS BEING RERECORDED TO  
ADD THE SIGNATURE OF THE NOTARY

A parcel of land situated in the SW<sup>1</sup>/<sub>4</sub>, Section 9, Township 39 South, Range 10 East of the Willamette Meridian, Klamath County, Oregon, more particularly described as follows:

Beginning at  $\frac{1}{2}$  inch iron pin from which the NE corner of the ~~W<sup>1/2</sup> NE<sup>1/4</sup> SW<sup>1/4</sup>~~ of Section 9 bears North  $00^{\circ} 06' 40''$  East, 471.85 feet; thence South  $00^{\circ} 06' 40''$  West, 145.97 feet to a  $\frac{1}{2}$  inch iron pin; thence North  $89^{\circ} 27' 28''$  West, 328.50 feet to a  $\frac{1}{2}$  inch iron pin; thence North  $00^{\circ} 10' 38''$  East, 145.97 feet; thence South  $89^{\circ} 27' 28''$  East, 328.33 feet to the point of beginning.

THIS TRUST DEED IS AN ALL INCLUSIVE TRUST DEED AND IS BEING RECORDED SECOND AND JUNIOR TO A FIRST MORTGAGE IN FAVOR OF STATE OF OREGON AND ACTING BY THE DIRECTOR OF VETERANS AFFAIRS SEE EXHIBIT "A" ATTACHED HERETO AND BY THIS REFERENCE MADE A PART HEREOF.

SEE EXHIBIT "A" ATTACHED HERETO AND BY THIS REFERENCE MADE A PART HEREOF.  
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 SEVENTY THOUSAND AND NO/100 Dollars, with interest thereon according to the terms of a promissory

FOR THE PURPOSE OF SECURING THE PAYMENT OF THE FOLLOWING PROMISSORY NOTE:

sum of SEVENTY 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

Per Terms of note \_\_\_\_\_, 19\_\_\_\_

note of even date herewith, payable to beneficiary of said note, 19...  
Per Terms of note  
not sooner paid, to be due and payable ... 19...  
The debt secured by this instrument is the date, stated above, on which the final installment of said note is due, and no interest therein is sold, agreed to be

note of even date herewith, payable to beneficiary, Per Terms of note, 19...  
not sooner paid, to be due and payable Per Terms of note, 19...  
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.

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; and

1. To protect, preserve and maintain the property, and to repair; not to remove or demolish any building or improvement thereon, not to commit or permit any waste of said property.

3. To comply with all laws, ordinances, regulations, covenants, conditions and restrictions affecting said property; if the beneficiary so requests, to cause to be prepared and filed with 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

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

Full Value

[illegible]

12. Upon default by grantor in payment of any indebtedness secured hereby or in his performance of any agreement hereunder, the beneficiary may develop all sums secured hereby immediately due and payable. In such event, the beneficiary may, without notice, terminate this trust and deliver the proceeds of the trust to the beneficiary.

hereby or in his performance of any agreement hereunder, and I hereby declare all sums secured hereby immediately due and payable. In such event the beneficiary at his election may proceed to foreclose this trust deed in equity as a mortgage or direct the trustee to foreclose this trust deed as advertisement and sale. In the latter event the beneficiary or the trustee shall give me written notice of default and my election to foreclose.

[illegible]

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, should the grantor fail to make payment of any taxes, assessments or charges, the trustee shall have the right to pay the same on behalf of the grantor and the trustee shall be entitled to reimbursement therefor from the proceeds of the foreclosure sale.

13. After the trustee has commenced foreclosure proceedings on the property, the trustee shall have the right to sell the property at public 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 default consists of a failure to pay, when due, any of the sums secured by the trust deed, the default may be cured by paying the sums due, with interest at the rate set forth in the note secured by the trust deed, and the sums due, other than such portion as was

by direct payment or by payment of sums secured by the trust deed, the default may be cured by paying the sum so 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

trust deed, shall be added to and become a part of the trust deed, without waiver of any rights arising from breach of any of the trust deed, and for such payments, with interest as aforesaid, the prop-  
covenants hereof and for such payments, with interest as aforesaid, the prop-  
erty hereinbefore described, as well as the grantor, shall be bound to the  
same extent that they are bound for the payment of the obligation herein  
same extent that they are bound for the payment of the obligation herein  
same extent that they are bound for the payment of the obligation herein

erty hereinbefore described, and the beneficiaries of this trust shall be and they are bound for the payment of the obligations, interest and expenses accrued on the principal of the trust, together with 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 has been postponed as provided by law. The trustee may sell said property either in whole or in part, and may divide all the principal or part thereof among the beneficiaries of this trust.

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

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 the payment of reasonable attorneys' fees and costs and expenses, including the cost of title search as well as in enforcing this obligation and trustee's and beneficiary's actuals incurred.

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, (2) the compensation of the trustee and a reasonable charge by trustee for the sale, (3) the payment of the taxes and other charges on the property, (4) the payment of the debts of the trust and (5) the payment of the balance of the proceeds to the grantor or beneficiary, as the case may be.

including evidence of the amount of attorney's fees mentioned in this paragraph / in any case, the amount of attorney's fees in the event of an appeal from any judgment or fixed by the trial court and in the event of an appeal from any judgment or fixed by 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.

[illegible]

8. In the event that any interest in the real estate described herein shall be 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 paid or incurred by decedent in such proceedings, shall be paid to beneficiary and his heirs, assigns and assigns forever.

to pay all reasonable costs, expenses and attorney's fees incurred by grantor in such proceedings, shall be paid to beneficiary in full by first upon any reasonable costs and expenses and attorney's fees, applied by it first upon any reasonable costs and expenses and attorney's fees, incurred by grantor in such proceedings, necessarily paid or incurred by beneficiary in the trial and appellate courts, necessarily paid or incurred by beneficiary in such proceedings, and the balance applied upon the indebtedness of beneficiary in such proceedings, at its own expense, to take such actions as may be necessary to protect its interest in the property.

[illegible]

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

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 in Oregon, or a real estate broker, affiliate, agent or branches, the United States or any agency thereof, or an escrow agent licensed under ORS 696.505 to 696.510.

NOTE: The Trust Deed Act provides that no person shall engage in the business of originating, selling or servicing loans secured by real estate located in Oregon or savings and loan association authorized to do business under the laws of Oregon or any agency thereof, or an escrow agent licensed under ORS 9A.060, who is not duly licensed as a mortgage lender under ORS 8.400, unless he or she is also duly licensed as a mortgage broker under ORS 8.400. This act does not apply to the United States or any agency thereof, or an escrow agent licensed under ORS 9A.060, or to the property of this state, its subsidiaries, affiliates, agents or branches.

8022

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

See attached exhibit

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 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, 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 use Stevens-Ness 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 \_\_\_\_\_

This instrument was acknowledged before me on \_\_\_\_\_, 19\_\_\_\_, by \_\_\_\_\_

Notary Public for Oregon

(SEAL)

My commission expires: \_\_\_\_\_

STATE OF OREGON,

County of Klamath

This instrument was acknowledged before me on \_\_\_\_\_

1986 by \_\_\_\_\_

as \_\_\_\_\_

of \_\_\_\_\_

Notary Public for Oregon

My commission expires: 7/13/89

(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

MOUNTAIN TITLE COMPANY

SPACE RESERVED  
FOR  
RECORDER'S USE

STATE OF OREGON,

County of \_\_\_\_\_

I certify that the within instrument was received for record on the \_\_\_\_\_ day of \_\_\_\_\_, 19\_\_\_\_, at \_\_\_\_\_ o'clock \_\_\_\_\_ M., and recorded in book/reel/volume No. \_\_\_\_\_ on page \_\_\_\_\_ or as fee/file/instrument/microfilm/reception No. \_\_\_\_\_ Record of Mortgages of said County. Witness my hand and seal of County affixed.

NAME

TITLE

By \_\_\_\_\_

Deputy

EXHIBIT "A"

6056  
15415

This Trust Deed is an "All Inclusive Trust Deed" and is second and subordinate to the Mortgage now of record dated October 27, 1978, and recorded October 27, 1978, in Volume M78, page 24299, Microfilm Records of Klamath County, Oregon, in favor of State of Oregon, represented and acting by the Director of Veterans' Affairs, as Mortgagee, which secures the payment of a Note therein mentioned.

Robert Kennedy and Zedna M. Kennedy, husband and wife, Beneficiary herein agrees to pay, when due, all payments due upon the said Promissory Note in favor of the State of Oregon, represented and acting by the Director of Veterans' Affairs, and will save Grantors herein, J.M. Andersch Corporation, harmless therefrom.

Should the said Beneficiary herein default in making any payments due upon said prior Note and Mortgage, Grantor herein may make said delinquent payments and any sums so paid by Grantor herein shall then be credited upon the sums next to become due upon the Note secured by this Mortgage.

The real property taxes will be paid by the Seller each year when they come due and the seller will then add back the amount of real property taxes paid to the balance of this Note and Trust Deed each year upon presenting the Collection Escrow Agent, Mountain Title Company, a copy of the paid receipt.



STATE OF OREGON: COUNTY OF KLAMATH:

ss.

Filed for record at request of \_\_\_\_\_ the 27th day  
of August A.D., 19 86 at 8:37 o'clock A M., and duly recorded in Vol. M86  
of \_\_\_\_\_ Mortgages on Page 15413

FEE \$13.00

INDEXED

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Evelyn Biehn,  
By \_\_\_\_\_

County Clerk

STATE OF OREGON: COUNTY OF KLAMATH: ss.

Filed for record at request of Mountain Title Company the 10th day  
of April A.D., 19 87 at 1:27 o'clock P M., and duly recorded in Vol. M87  
of \_\_\_\_\_ Mortgages on Page 6054

FEE \$13.00

Evelyn Biehn, County Clerk  
By \_\_\_\_\_