

MTC-1987-P

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SECOND TRUST DEED

Vol. MS81

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THIS TRUST DEED, made this 10th day of July, 19 87, between

ALFRED E. PRYOR & CINDY SUE PRYOR, husband and wife as Grantor, MOUNTAIN TITLE COMPANY OF KLAMATH COUNTY

THOMAS F. MYERS as Trustee, and 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 39 in Block 3, TRACT NO. 1064, FIRST ADDITION TO GATEWOOD, 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 EIGHTEEN THOUSAND FOUR HUNDRED TWENTY SIX AND 67/100 (\$18,426.67) 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.

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; 2. To remove or demolish any building or improvement thereon; 3. To complete or restore promptly and in good and workmanlike manner any building or improvement which may be constructed, damaged or destroyed thereon; 4. To comply with all laws, ordinances, regulations, covenants, conditions and restrictions affecting said property; 5. To furnish, upon request, in writing, copies of all records, reports, statements and other documents in the possession or control of grantor relating to the property; 6. To provide and continuously maintain insurance on the buildings and other such hazards as the beneficiary may from time to time require, in an amount not less than \$ full value

7. 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 the beneficiary; 8. To pay all taxes, assessments and other charges, including insurance premiums, liens or other charges payable by grantor, either directly or by providing beneficiary with funds with which to pay the same; 9. To pay all interest on any debt secured by this trust deed, together with the obligations described in paragraphs 6 and 7 of this trust deed, without waiver of any rights arising from breach of any of the covenants hereof and for such payments, with interest as aforesaid, the grantor hereby agrees to be bound; 10. To pay all costs, fees and expenses of the beneficiary in enforcing this obligation and trustee's and attorney's fees actually incurred.

11. 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 any suit for the foreclosure of this deed, to pay all costs and expenses, including attorney's fees mentioned in this paragraph 7 in all cases shall be decreed 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.

12. 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 to elect, to require that all or any portion of the proceeds payable as compensation for such taking, which are in excess of the amount payable to pay all reasonable costs, expenses and attorney's fees necessarily paid or incurred by grantor in such proceedings, shall be paid to beneficiary and not to the trust or trust 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.

13. At any time and from time to time upon written request of beneficiary, payment of the principal and interest on the note secured by this trust deed (in case of full redemption, for cancellation), without affecting the liability of any person for the payment of the indebtedness, trustee may

(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, legally entitled thereto, and the recitals hereof, to the person or persons be conclusive proof of the truthfulness thereof. Trustee's fees for any of the services mentioned in this paragraph shall be not less than \$5.

14. 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 the indebtedness hereby secured, enter upon and take possession of said premises and profits thereof, in its own name sue or otherwise collect the rents, issues and profits, including those past due and unpaid, and apply the same, less any 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.

15. The entering upon and taking possession of said property, the collection of such rents, issues and profits, or the proceeds of the sale of the property, and the application or release thereof as aforesaid, shall not constitute a default or notice of default hereunder or invalidate any act done hereunder or in any performance of any agreement hereunder, the beneficiary may event the beneficiary at his election may proceed to foreclose this trust deed advertisement and sale. In the latter event the trustee or the trustee shall to sell the said described real property to satisfy the obligation secured hereby whereupon the trustee shall fix the time and place of sale, give notice thereof as then required by law and proceed to foreclose this trust deed in the manner provided in ORS 86.735 to 86.795.

16. 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 sums secured by the trust deed, the default may be cured by paying the entire amount due at the time of the cure other than such portion as would not then be due had no default occurred. Any other default that is capable of being cured may be cured by tendering the performance required under the trust deed or trust deed. In any case, in addition to curing the default 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.

17. 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 public 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, of the truthfulness thereof. Any person, excluding the trustee, but including the grantor and beneficiary, may purchase at the sale.

18. 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 order of priority set forth in this trust deed, (2) to all persons having recorded liens subsequent to the interest of the trustee in the trust surplus, if any, to the grantor or to his successor in interest entitled to such surplus.

19. 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 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 hereunder. Each such appointment and substitution shall be made by written instrument executed by 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.

20. 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 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 895.505 to 895.555.

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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 this Trust Deed is second and subordinate to the Mortgage of record in favor of the Department of Veterans' Affairs which buyers herein have agreed to assume and pay. 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 other purposes, including 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.

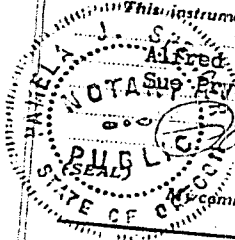
Alfred E. Pryor

Cindy Sue Pryor

(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 7/15, 1987, by Alfred E. Pryor & Cindy Sue Pryor



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.

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

TRUST DEED (FORM No. 881-1)

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

Grantor Alfred E. & Cindy Sue Pryor

Beneficiary Thomas F. Myers

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 16th day of July, 1987, at 9:09 o'clock A.M., and recorded in book/reel/volume No. M87 on page 12631 or as fee/file/instrument/microfilm/reception No. 76994 Record of Mortgages of said County. Witness my hand and seal of County affixed.

Evelyn Biehn, County Clerk NAME TITLE By ... Deputy