

~~K-40357~~

TRUST DEED

Vol. M88 Page _____

2236

84423

THIS TRUST DEED, made this 16th day of February, 1988, between

Larry Eugene Peterman and Nancy Ann Peterman, AKA

Larry E. Peterman and Nancy A. Peterman
as Grantor. Klamath County Title Company, as Trustee, and

Motor Investment Company

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:

"SEE ATTACHED EXHIBIT A"

FEB 17 1952

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 Forty Three Hundred Dollars and 09/100

sum of forty three hundred dollars and 75/100 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 February 25, 1941, 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.

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 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 join in executing such financing statements 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 lien searches made by filing officers or searching agencies as may be deemed desirable by the beneficiary.

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 an amount not less than \$ 25000.00 written in all

[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 said premises, the grantor, its successors and assigns, and its heirs, against said property before any part of such taxes, assessments and other charges become past due or delinquent and properly deliver receipts therefor to beneficiary; should the grantor fail to make payment of any taxes, assessments, insurance premiums, or other charges payable by grantor, either directly or indirectly, to or for the benefit of beneficiary, then the grantor, by providing beneficiary with funds with which to make such payment, beneficiary may, at its option, make payment thereof out of the account so paid, with interest at the rate set forth in the note secured by this deed, and the grantor shall be deemed to have authorized beneficiary hereby, together with the obligations described in paragraphs 6 and 7 of this trust deed, shall be added to and become a part of the debt secured by 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 property hereinbefore described, as well as the grantor, shall be bound to the same extent that they are bound to the payment of the obligation hereinbefore described, and all such payments shall be immediately due and payable without notice, and the grantor covenants that the grantor shall, at the option of the beneficiary, render all sums so secured by this trust deed immediately due and payable and shall not trust any branch 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.

fees actually incurred. (b) 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 any such extent as may be required by the attorney or trustee's attorney's fees; this including evidence 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 may be fixed by the appellate court shall be adequate reasonable as the beneficiary's or trustee's attorney's fees actually incurred.

It is mutually agreed that:

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 elects, to pay for or any portion of the monies payable thereunder, 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 grantor in such proceedings, shall be paid to beneficiary and shall be applied by it first upon any such costs, expenses and attorney's fees incurred by beneficiary in the appellate courts, necessarily paid or incurred by beneficiary in such proceedings, and the balance applied upon the indebtedness secured hereby; and grantor agrees, at its own expense, to take such action and execute such instruments as shall be necessary in obtaining such compensation.

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 (a) consent to the making of any map or plat of said property; (b) join

granting any easement or creating any restriction thereon; (c) join in any subordination or other agreement affecting this deed or the lien or charge thereof; (d) reconvey, without warranty, all or any part of the property. The grantee in any reconveyance may be described as the "person or persons legally entitled thereto," and the recitals therein of any matters or facts shall 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.

10. Upon any default by grantor hereunder, beneficiary may at any time without notice, either in person, by advertisement or by registered mail, require the grantor to execute and deliver to the beneficiary a promissory note payable to the order of the beneficiary, without regard to the adequacy of any security for the indebtedness hereby secured, enter upon 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 use the same for the less 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.

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.

12. Upon default by grantor in payment of any indebtedness secured hereby or in his performance of any agreement herunder, time being of the essence with respect to such payment or performance, the beneficiary may demand and receive immediately due and payable, in such an 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 by advertisement and sale, or may direct the trustee to pursue any other right of remedy, either at law or in equity, which the beneficiary may have. In the event of default by the beneficiary or the trustee shall execute and cause to be recorded a notice of default and of 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 as required by law, and proceed to foreclose this trust deed in the manner provided in ORS 86.735 et

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 not privileged by ORS 86.753, may cure the default or defaults. If the default consists of a failure to pay, when due, the sum 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 obligation or trust deed. In any case, in addition to tending the default or defaults, the person electing 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

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 presumed to be true and correct by the trustee, and the trustee shall be bound by the truthfulness thereof. Any person, including the trustee, but including neither the grantor nor beneficiary, may purchase at the sale.

15. 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 to its attorney, (2) to the obligation secured by the trust deed, (3) to all persons having recorded liens subsequent to the initiation of the sale in 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.

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 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.

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 or of any action or proceeding in which grantor, beneficiary or trust 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.

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 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 acknowledgment opposite.)

STATE OF OREGON

County of Klamath

This instrument was acknowledged before me on 2/16, 1988, by

LARRY E. PETERMAN
NANCY A. PETERMAN
Notary Public for Oregon
My commission expires: 11/6/90

STATE OF OREGON, } ss.

County of _____

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: _____, 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.

Larry E. Peterman and Nancy

A. Peterman

Grantor

Motor Investment Company

Beneficiary

AFTER RECORDING RETURN TO

Motor Investment Company

531 S. 6th - P.O. Box 309

Klamath Falls, Or. 97601

SPACE RESERVED

FOR

RECORDER'S USE

STATE OF OREGON, } ss.

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

By _____

TITLE

Deputy

EXHIBIT A

2238

DESCRIPTION OF PROPERTY

The following described real property situated in Klamath County, Oregon:

PARCEL 1:

A tract of land situated in the NE $\frac{1}{4}$ NE $\frac{1}{4}$ of Section 24, Township 39 South, Range 9 East of the Willamette Meridian, more particularly described as follows:

Beginning at a point located West a distance of 1072.7 feet and South 0° 19' West a distance of 30.0 feet from the iron axle marking the Northeast corner of said Section 24, said beginning point ~~beginning point~~ being located on the South boundary of Airway Avenue; thence South 0° 19' West a distance of 166.4 feet to the Northerly boundary of the USRS Dixon Drain; thence along the Northerly boundary of said drain North 75° 18' West a distance of 96.9 feet and South 44° 26" West a distance of 248.9 feet; thence leaving the Northerly boundary of said drain North 0° 19' East a distance 319.5 feet to the South boundary of Airway Avenue; thence East along the South boundary of Airway Avenue a distance of 267.05 feet, more or less, to the point of beginning.

PARCEL 2:

A tract of land situated in the NE $\frac{1}{4}$ NE $\frac{1}{4}$ of Section 24, Township 39 South Range 9 East of the Willamette Meridian, more particularly described as follows:

Beginning at a point located West a distance 953.1 feet and South 0° 19' West a distance of 30.0 feet from the iron axle marking the Northeast corner of said Section 24, said beginning point being on the South boundary of Airway Drive; thence South 0° 19' West a distance of 197.8 feet to the Northerly boundary of the USRS Dixon Drain; thence North 75° 18' West along the Northerly line of said drain, a distance of 123.6 feet; thence North 0° 19' East a distance of 166.4 feet to the South boundary of the Airway Drive; thence East along the South boundary of Airway Drive 119.6 feet, more or less to the point of beginning.

STATE OF OREGON: COUNTY OF KLAMATH: ss.

Filed for record at request of Klamath County Title Company the 17th day of February A.D., 19 88 at 8:52 o'clock A M., and duly recorded in Vol. M88 of Mortgages on Page 2236.
By Evelyn Biehn, County Clerk Pam Smith

FEE \$15.00