

85185 MTC 19418-K

OF

85185

TRUST DEED

Vol. M88 Page 3514

THIS TRUST DEED, made this 1st day of March

19 88, between

JACK UTTERBECK and DIXIE UTTERBECK, husband and wife as Grantor, MOUNTAIN TITLE COMPANY OF KLAMATH COUNTY

AUGUST H. KNORR and PATSY R. KNORR, husband and wife as Beneficiary,

Grantor irrevocably grants, bargains, sells and conveys to trustee in trust, with power of sale, the property in Klamath County, Oregon, described as:

Lot 33 in Block 35 of FIFTH ADDITION TO KLAMATH RIVER ACRES, according to the official plat thereof on file in the office of the County Clerk of Klamath County, Oregon. Klamath County Tax Account #4008-06BD-1100.

THERE SHALL BE NO PREPAYMENT PENALTY.

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-THREE THOUSAND FIVE HUNDRED 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 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, 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 remove or permit any removal 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, 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 cause 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 third parties 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 same premises against loss or damage by fire, an amount not less than \$ NOT REQUIRED.

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 all charges become due and payable, and promptly deliver receipts therefor to the beneficiary; should the grantor fail to do so, the beneficiary may, at its option, make such payment, with interest as aforesaid, the amount in paid, with interest at the rate set forth in the note secured by 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 for such payments, with interest as aforesaid, the program stated that they are bonded to the grantor, shall be bound to the program, and all such payments shall be immediately due and payable with interest, and the nonpayment thereof shall be the option of the beneficiary, constitute a breach of 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 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.

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 any suit to enforce the lien of the trust deed, to pay all costs and expenses, including attorney's fees mentioned in this paragraph 7 in all cases shall be the duty of the grantor, and in the event of an appeal from any judgment or decree of the trial court, grantor further agrees to pay such sums as the appellate court shall adjudge reasonable as the beneficiary's or attorney's fees on such appeal.

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 moneys payable as compensation for such taking, which are in excess of the amount required to pay for reasonable costs, expenses and attorney's fees necessarily paid or incurred by the trust upon any reasonable costs and expenses and attorney's fees, incurred hereon, and grantor agrees, as 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 expenses of this deed and the note for endorsement (in case of full reconveyance, 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, the legally entitled thereto, and the recitals thereof in 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 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 property, issues and profits thereof, in its own name sue or otherwise collect the rents, 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 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 hereunder, time being of the essence with respect to such payment and/or performance, the beneficiary may declare all sums secured hereby immediately due and payable, the beneficiary may event the beneficiary at his election may proceed to foreclose this trust deed in equity as a mortgage or may direct the trustee to foreclose this trust deed by advertisement and sale, or may direct the trustee to pursue any other right or remedy either at law or in equity, which the beneficiary may have. In the latter event the beneficiary or 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 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.

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 so privileged by ORS 86.753, may cure the default or defaults. If the default consists of a failure to pay, when due, the entire amount due by the trust deed, the default may be cured by paying the 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 which 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, the person electing to 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.

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 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.

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, including attorney's fees, (2) to the obligation secured by a trust deed, (3) 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.

16. Beneficiary may from time to time appoint a successor or successors to the 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.

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 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.

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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, officers, agents or branches, the United States or any agency thereof, or an escrow agent licensed under ORS 896.505 to 896.595.

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 none

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).

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 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-Mess Form No. 1319, or equivalent. If compliance with the Act is not required, disregard this notice.

Jack Utterback
JACK UTTERBACK
Dixie Utterback
DIXIE UTTERBACK

(If the signer of the above is a corporation, use the front of acknowledgment opposite.)

STATE OF OREGON
County of Klamath
This instrument was acknowledged before me on February 29, 1988, by JACK UTTERBACK and DIXIE UTTERBACK
Kristi L. Redd
Notary Public for Oregon
My commission expires: 11/16/91

STATE OF OREGON,)
County of) ss.
This instrument was acknowledged before me on
19, by
as
of
Notary Public for Oregon (SEAL)
My commission expires:

REQUEST FOR FULL RECONVEYANCE
To be used only when obligations have been paid.

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:
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
(PORR No. 887)
STEVENS MESS LAW PUB. CO., PORTLAND, ORE.
JACK UTTERBACK and DIXIE UTTERBACK
11800 Tingley Lane #4
Klamath Falls, OR 97603 Grantor
AUGUST H. KNORR and PATSY R. KNORR
2283 North Sequoia Avenue
Simi Valley, CA 93063 Beneficiary
AFTER RECORDING RETURN TO
MOUNTAIN TITLE COMPANY OF
KLAMATH COUNTY

SPACE RESERVED FOR RECORDER'S USE

STATE OF OREGON,)
County of Klamath) ss.
I certify that the within instrument was received for record on the 14th day of March, 1988, at 11:53 o'clock A.M., and recorded in book/reel/volume No. M88 on page 3514 or as fee/file/instrument/microfilm/reception No. 85185. Record of Mortgages of said County. Witness my hand and seal of County affixed.
Evelyn Biehn, County Clerk
By Ann Smith Deputy

Fee: \$10.00