

TRUST DEED

Vol. m89 Page 1213



as Grantor, ASPEN TITLE & ESCROW, INC., as Trustee, and
THOMAS FRANK HEATON, JR. and HELEN HEATON, husband and wife, with
full rights of survivorship
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 LEGAL DESCRIPTION MARKED EXHIBIT "A" ATTACHED HERETO AND
BY THIS REFERENCE MADE A PART HEREOF AS THOUGH FULLY SET FORTH
HEREIN.

THIS TRUST DEED IS A SECOND TRUST DEED AND IS BEING RECORDED SECOND AND JUNIOR TO A FIRST TRUST DEED IN FAVOR OF TRANSAMERICA FINANCIAL SERVICES, INC.

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 FOUR THOUSAND FIVE HUNDRED FOUR and 81/100- Dollars, with interest thereon according to the terms of a promissory note, the total payment of principal and interest hereof, if

sum of FOUR THOUSAND FIVE HUNDRED FOUR and 81/100-
(\$4,504.81)- 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 June 30, 1991.
Interest in the date stated above, on which the final installment of said note

not sooner paid, to be due and payable June 30, 1991.

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

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; and permit any waste of said property.

and repair; not to remove or encumber said property, nor to commit or permit any waste or injury to the same, nor to obstruct or interfere with the workmanlike manner any building or improvement which may be lawfully erected, constructed, damaged or destroyed thereon, and to pay all taxes and assessments lawfully levied thereon.

To comply with all laws, ordinances, regulations, covenants, conditions and restrictions affecting said property; it is further covenanted and agreed that the Uniform Commercial Code in executing such filing shall be deemed to be the law of the State of Illinois, and that the filer shall be deemed to be the proper public officer or offices, as well as the cost of said filing shall be deemed desirable by the filer, and the filer shall be deemed to be the proper public officer or offices, as well as the cost of said filing shall be deemed desirable by the filer.

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 \$ insurable value , written in all companies acceptable to the beneficiary, with loss payable to the latter; and insurance policies shall be delivered to the beneficiary as soon as incurred; and the grantor shall fail for any reason to procure any such policy and to deliver said policies to the beneficiary at least fifteen days prior to the expiration of any policy of insurance now or hereafter issued on said buildings, the beneficiary may procure the same at grantor's expense. The amount collected under any fire or other insurance policy may be applied by beneficiary upon any indebtedness secured hereby and in such order as beneficiary may determine, or at option of beneficiary the entire amount so collected, or any part thereof, may be released to grantor. Such application or release shall not cure or waive any default or notice of default hereunder or invalidate any of the provisions of this notice.

[illegible]

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.

in connection with any action or proceeding purporting to affect the security rights of the beneficiary or trustee; and in any suit, action or proceeding in which the beneficiary or trustee may appear, including an action for the foreclosure of this deed, to pay all costs, including attorney's fees; the amount of attorney's fees in this paragraph 7 in all cases shall be borne by the grantor, 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 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 so desires, to request that all or any portion of the monies payable as compensation for such taking, which are in excess of the amount required to satisfy reasonable costs, expenses and attorney's fees necessarily paid and incurred by grantor in such proceedings, shall be paid to beneficiary and applied by it first upon any reasonable costs and expenses and attorney's fees, both in the trial and appellate court, and the balance applied upon the indebtedness in such proceedings. If grantor agrees, at its own expense, to take such actions secured hereunder, beneficiary shall be entitled to reimbursement of the costs of such actions and the costs of such instruments as shall be necessary in obtaining such condemnation, promptly upon beneficiary's request.

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 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 grantee in any reconveyance may be described as the "person or persons legally entitled to receive the proceeds of the sale of the property." The recitals therein of any matters or facts shall be conclusive proof of the truthfulness thereof. Trustee's fees for any of the foregoing shall not exceed the amount set forth in the schedule of fees set forth in this paragraph shall be not less than \$5.

10. Upon any assignment, whether in person, by agent or by a receiver to be appointed by a court, and without regard to the adequacy of any consideration, the grantor hereby secures the indebtedness of any assignee of said property or any part thereof, including those past due and unpaid, and applies the same, less costs and expenses of operation and collection, including reasonable attorney's fees upon any indebtedness secured hereby, and in such order as beneficiary mentioned in this paragraph shall be no lender, beneficiary may at any time.

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 by the beneficiary in each 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. In such an event the beneficiary or his election may proceed to foreclose this trust deed by 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 or remedy, either at law or in equity, which the beneficiary may have. In the event the beneficiary elects to foreclose by advertisement and sale, the beneficiary or the trustee shall execute and cause to be recorded in the public office of the county in which the property is located, a written notice of default and his election to sell the said described property to satisfy the obligation secured hereby whereupon the trustee shall fix the time and place of sale, give notice thereof as required by law and proceed to foreclose this trust deed pursuant to ORS 86.735 to 86.795.

13. After the trustee has commenced foreclosure by advertisement and sale, and at any time within 5 days before the date the trustee conducts the sale, the trustor or any other person so privileged by ORS 86.63, may cure any default or defaults by tendering the sum or sums due when due, the sum or sums due at the default or defaults. If the default consists of a late payment, the sum or sums secured by the trust deed, the default may be cured by paying the sum or sums due at the default or defaults. If the default consists of a late payment, the sum or sums secured by the trust deed, the default may be cured by paying the sum or sums due at the default or defaults. Any other default that is capable of being cured may be cured by tendering the performance required by the default or defaults, the person effecting the cure shall be entitled 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 for in the trust deed.

14. 14. Therefore, the sale shall be held on the date and at the time and place designated in the notice of sale or at such other time and place as may be postponed as provided herein. The trustee may sell said property either in one or more parcels and shall sell the parcel or parcels at auction to the highest bidder for cash, payable at the time of sale. The trustee shall deliver to the purchaser without any covenant or warranty, express or implied, the property described herein, together with all the rights and interests therein. The recitals in the deed of any matters of fact shall be conclusive evidence of the truthfulness thereof. Any person, excluding the trustee, but including the purchaser, who is present at the sale, shall be deemed to have notice of the

15. When trustee sells pursuant to the powers provided herein, trustee shall apply the proceeds of sale first to payment of (1) the expenses of sale, including the compensation of the trustee and a reasonable charge by trust's attorney, (2) to the obligation secured by the trust deed, (3) to the trustee in the trust having recorded liens subsequent to the interest of the grantor or grantors in the 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, the trustee shall conveyance to the successor trustee, the trustee herein named or appointed hereunder. Each such appointment and substitution shall be made by written instrument signed 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.

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.

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 966.505 to 966.585.

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 acknowledgement opposite.)

STATE OF OREGON,

County of Klamath

This instrument was acknowledged before me on January 19, 1989 by

William Victor Plourde and
Linda G. Plourde

Notary Public for Oregon

(SEAL)

My commission expires: 3-22-89

STATE OF OREGON,

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.

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

Aspen Title & Escrow, Inc.
600 Main Street
Klamath Falls, OR 97601
Attn: Collection Department

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"

A tract of land situate in the S 1/2 of the NE 1/4 of Section 9, Township 39 South, Range 10 East of the Willamette Meridian, in the County of Klamath, State of Oregon, being more particularly described as follows:

Beginning at a point from which the East quarter corner of Section 9, Township 39 South, Range 10 East of the Willamette Meridian bears South 89 degrees 55' East 1323.7 feet and South 0 degrees 08' West 30.0 feet distant; thence continuing North 89 degrees 55' West 225 feet to a point; thence North 0 degrees 08' East 225 feet to a point; thence South 89 degrees 58' East 225 feet to a point; thence South 0 degrees 08' West 225 feet more or less, to the point of beginning.

STATE OF OREGON: COUNTY OF KLAMATH: ss.

Filed for record at request of Aspen Title Co. the 20th day
of Jan. A.D., 19 89 at 11:56 o'clock AM., and duly recorded in Vol. M89,
of Mortgages on Page 1213.

Evelyn Biehn . County Clerk

By Audrey Millenore

FEE \$18.00