

THIS TRUST DEED, made this 13th day of February, 1989, between
GARY L. WILLHIDE

as Grantor, ASPEN TITLE & ESCROW, INC., An Oregon Corporation, as Trustee, and
CHRISTIAN C. JOHNSON and SANDRA L. JOHNSON, husband and wife, with
full rights of survivorship
 as Beneficiary, WYNNESSETH

WITNESSETH:

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

Klamath.....County, Oregon, described as:
 Lot 6, Block 13, Tract No. 1143, Resubdivision of a portion of
 Blocks 11, 12, 13, and 14, BUENA VISTA ADDITION TO THE CITY OF
 KLAMATH FALLS, in the County of Klamath, State of Oregon.

This Trust Deed is Second and inferior to that Trust Deed of Record in favor of First National Bank of Oregon, dated June 1, 1979, recorded on June 4, 1979 in Book M-79 at page 12958.

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 FIVE THOUSAND FOUR HUNDRED FIFTY ONE AND 23/100 Dollars, with interest thereon according to the terms of a promissory note, dated _____, the final payment of principal and interest hereof, it

note of even date herewith, payable to beneficiary or order and made by grantor, the final payment of principal and interest hereon; and not sooner paid, to be due and payable at maturity 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.

To protect the security of this trust deed, grantor agrees:

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.

not to commit or permit any waste of said property, and in good and workmanlike manner to make any improvement which may be constructed, damaged or destroyed thereon, and pay when due all costs incurred therefor.

3. To comply with all laws, ordinances, covenants, conditions and restrictions relating to the property; if the beneficiary so requests, to obtain and retain such financing statements pursuant to the Uniform Commercial Code as the beneficiary may require and to pay all taxes and assessments levied or assessed against all lien searches made by proper public office or officers, and to cause all lien searches made by title insurance companies or searching agencies to be deemed desirable by the beneficiary; and

4. To cause to be maintained on the buildings

by filing officers overseeing agencies and their beneficiaries.

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 this mechanism of insurance is intended to cover, in an amount not less than _____, the undersigned, _____, written in and to the effect that the beneficiary, with loss payable to the latter; all companies authorized to do business in the State of California, shall deliver to the beneficiary as soon as insurance is procured and to the grantor shall fail for any reason to procure any such insurance, and to deliver said policies to the beneficiary at least fifteen days prior to the expiration of any policy not in force or hereafter placed on said buildings, the beneficiary shall procure the same at grantor's expense. The amount covered under any fire or other insurance policy may be applied to the benefit of the beneficiary upon any indebtedness secured hereby and the entire amount so collected, or may determine, or at option of the beneficiary, the entire amount so released, or any part thereof, may be paid to grantor. Such application or release shall not constitute a waiver by any default or notice of default hereunder or invalidate any claim or remedy available to the beneficiary in the event of a fire or other loss, except pursuant to such notice.

act done pursuant to such notice, or to the notice of assessment or notice of delinquency, shall not cure or waive any delinquency or notice of delinquency.

5. To the extent said premises lie from construction liens and to pay all taxes, assessments and other charges that may be levied or assessed upon or against said premises, the grantor shall be obligated to pay the taxes, assessments and other charges before any part of such taxes, assessments and other charges become past due or delinquent and promptly to pay the taxes, assessments and other charges payable by the grantor, either by direct payment or by providing beneficiary with funds with which to pay such taxes, assessments and other charges, as the option of the grantor, shall be at its option, make payment thereof, and make such payment, with interest at the rate set forth in the note secured by this deed, and the obligations described in paragraph 4 of this deed, together with the obligations described in paragraph 5 of this deed, shall be added to and become a part of the debt secured by this trust deed, without waiver of any right or remedy from breach of any of the trust deed, without waiver of any right or remedy, with interest as aforesaid, the property hereinafter they are bound for the payment of the obligation herein described, and all such payments shall be immediately due and payable hereunder, and the nonpayment thereof shall, at the option of the beneficiary, constitute a breach of this trust deed.

6. The expenses of this trust including the cost

6. To pay all costs, fees and expenses of the trustee incurred in 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 interests or powers of beneficiary or trustee; and in any suit, action or proceeding in which the defendant or trustee may appear, including any suit for the foreclosure of this deed, all costs and expenses, in any suit for the foreclosure of this deed, the beneficiary's or trustee's attorney's fees, including evidence, and the beneficiary's or trustee's attorney's fees mentioned in this paragraph 7, in all cases shall be paid by the grantor. The grantor further agrees to pay such sum as the appraiser of the trial court or judge reasonable as the beneficiary's or trustee's attorney's fees on such appeal.

It is mutually agreed that:

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3. 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 he so elects, to require that all or any portion of the monies payable therefor, less reasonable costs and expenses, shall be paid to beneficiary as compensation for such taking, which are in excess of the amount reasonably payable to pay all reasonable costs, expenses and attorney's fees, necessarily paid or incurred by grantor in such proceedings, and attorney's fees, shall be paid to beneficiary and applied by it first upon its reasonable costs and expenses and attorney's fees, both in and out of court, and secondly, to the balance of the monies made available in such proceedings, and the balance applied upon the undersigned's actions 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.

IN WITNESS WHEREOF, I have hereunto set my hand and seal, this _____ day of _____, 19____.

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 interest therein, or any part thereof, to the person or persons who are the grantee or grantees hereunder; and (e) the person or persons who are the grantee or grantees hereunder may be described as the "person or persons who are the grantee or grantees hereunder" and the recitals herein 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 \$5,000.00 per year.

10. Upon any default by grantor hereunder, beneficiary may at any time without notice, either in person, by agent or by attorney, enter to be appointed by a court, and to secure, enter upon and take possession of said property in its entirety or any part thereof, in its own name sue or otherwise collect the debts and claims of said partnership, and to sue or otherwise collect the same, issues and profits, including those past due and unpaid, and to sue for the same, less costs and expenses of operation and collection, including reasonable attorney's fees and expenses of operation and collection 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 hereunder, time being of the essence with respect to such payment and/or performance, the beneficiary may declare all sums due to him immediately due and payable. In such an event the beneficiary at his election may proceed to foreclose this trust deed by exercising his power of sale, or he may elect to pursue any other right or remedy, either at law or in equity, which the beneficiary may have. In the event the beneficiary or the trustee shall execute and cause to be recorded his written notice of default and his election to sell the property, the real property to satisfy the obligation secured hereby, then and thereupon 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 Order No. 66-753, may cure the default or defaults. If the default or the default may be cured by paying the sums secured by the trust deed or the cure other than such portion as would entitle the grantor at the time of the cure other than such portion as would entitle the grantor when due had no default occurred. Any other default or defaults may be cured by tendering the performance required to curing the default or obligation or trust deed. In any case, the person or persons shall pay to the beneficiary all costs and attorneys' fees 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 power of sale by law. The trustee may sell said property either in one parcel or in separate parcels and shall sell the parcels in the order of sale. Trustee shall auction to the highest bidder for cash and in form as required by law conveying said property to the purchaser. The property shall be sold without any covenant or warranty, expressed or implied. The recitals in the deed of any manner whatsoever, including the recitals provided herein, shall be true and correct, and the trustee, if provided herein, trustee or beneficiary, may purchase at the sale.

of the truthfulness thereof. Any purchase at the sale of the grantor and beneficiary may purchase at the sale. When the trustee shall 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 fee payable by trustee's attorney, (2) to the obligation secured by the deed, (3) to all persons having recorded liens subsisting at the time of the sale to the trustee in the trust deed 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 or successor trustee shall be vested with all title, powers and duties conferred upon any trustee herein named or appointed hereunder. Each such appointment or substitution shall be made by written instrument executed by beneficiary, and substitution shall be made by or through the records of the county or counties in which the property is situated, shall be conclusive proof of proper appointment of the successor trustee. . . . This deed, duly executed and

which the property is situated, shall be deemed to be the act of the successor trustee. 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 in 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.

89 FEB 15 243 07

The grantor covenants and agrees to and with the beneficiary and those claiming under him, that he is law-fully seized in fee simple of said described real property and has a valid, unencumbered title thereto except that Trust Deed in favor of First National Bank of Oregon, dated June 1, 1979, recorded on June 4, 1979 in Book M-79 at page 12958

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
February 15, 19 89 by

Gary L. Willhide

Shandra Handa
Notary Public for Oregon
My commission expires: 7-33-89

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. 881-1)

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

Grantor

Beneficiary

AFTER RECORDING RETURN TO

Aspen Title & Escrow
600 Main Street
Klamath Falls, OR 97601

SPACE RESERVED
FOR
RECORDER'S USE

STATE OF OREGON,

County of Klamath

I certify that the within instrument was received for record on the 16th day of Feb., 1989, at 3:07 o'clock PM., and recorded in book/reel/volume No. M89 on page 2995 or as fee/file/instrument/microfilm/reception No 97240, Record of Mortgages of said County.

Witness my hand and seal of County affixed.

Evelyn Biehn, County Clerk
NAME TITLE

By R. A. Mullendare, Deputy

\$13.00