TRUST DEED

Vol. mgg Page

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THIS TRUST DEED, made this 2nd day of August , 19 89, between CLIFTON 1. SCOTT and MILDRED L. SCOTT, Husband and Wife

as Grantor, ASPEN TITLE & ESCROW, INC JAMES L. PATZKE and VERNA L.

as Beneficiary.

## WITNESSETH:

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

A portion of land situated in the S 1/2 Section 1, Township 37 South, Range 14 East of the Willamette Meridian, in the County of Klamath, State of Oregon, more particularly described as follows:

Beginning at the South quarter corner of Section 1, Township 37 South, Range 14 East of the Willamette Meridian; thence North 89 degrees 26' 10" East a distance of 191.50 feet to a 1/2" iron pin; thence North 1246.22 feet to a 1/2" iron pin on the Southwesterly right of way line of the Klamath Falls-Lakeview Highway; thence North 66 degrees 45' 21" West along the Southwesterly right of way line of said highway 636.16 feet to a 1/2 inch iron pin; thence South 1523.90 feet to a 1/2" iron pin on the South boundary of said Section 1; thence North 89 degrees 26' 10" East 439.00 feet to the point of beginning.

CODE 92 & 113 MAP 3714-100 TL 1900

together with all and singular the terements, 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 SICURING PERFORMANCE of each agreement of grantor herein contained and payment of the

sum of ... Twenty Six Thousand Fifty Four and 78/100-

--(\$26,054.78) note of even date herewith, payable to be reficiary or order and made by granter, the final payment of principal and interest hereof, if 

becomes due and payable.

The above described real property is not currently used for agricultural, timber or grazing purposes.

The date of maturity of the dolt secured by this instrument becomes due and payable.

The dove described real property is not currently used as agricultural property in and constitution. To protect the security of this trust deed, grantor agrees.

1. To protect, preserve and maintain said property in each condition; not for commit or permit any waste of said property.

To compile or rettore promptly and in good and workershilked or destroyed thereon, and pay when due all costs incurred the committee of destroyed thereon, and pay when due all costs incurred the committee of destroyed thereon, and pay when due all costs incurred the contract of destroyed thereon, and pay when due all costs incurred the committee of destroyed thereon, and pay when due all costs incurred the committee of destroyed thereon, and pay when due all costs incurred the contract of the cost of destroyed thereon, and pay when due all costs incurred the contract of the cost of destroyed thereon, and pay when due all costs incurred the cost of destroyed thereon, and pay when due all costs incurred the cost of destroyed thereon, and all costs in the cost of destroyed thereon, and pay when due all costs incurred the cost of destroyed thereon, and the cost of destroyed thereon and the cost of destroyed thereon and the cost of destroyed thereon and the cost of destroyed the cost of the cost of destroyed the cost of destr

(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 afreement allecting this deed or the lien or charge thereof; (d) reconvey, without warranty, all or any part of the property. The france in any reconveyance may be described as the "person or persons legally entitled thereto," and the recitals there in of any matters or facts shall be conclusive proof of the truthfulness thereof. Truste's fees for any of the services mentioned in this paragraph shall be not less than \$5.

10. Upon any default by frantor hereunder, beneficiarly 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 adequice 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 rents, issues 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 tire and other insurance policies or compensation or awards for any taking or damage of the rinsurance policies or compensation or release thereof as aloresaid, shall not cure or waive any default or notice of default hereunder or invalidate any act done pursuant to such notice.

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, the beneficiary may declare all sums secured hereby 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 in equity as a mortgage or direct the trustee to foreclose this trust deed by advertisement and sale. 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 obligations secured hereby, whereupon the trustee shall lix 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 86.740 to 86.795.

13. Should the beneficiary elect to foreclose by advertisement and sale them efter default at any time prior to live days before the date set by the trustee or the trustee's sale, the grantor or other person so privileged by ORS 86.760, may pay to the beneficiary or his successors in interest, respectively, the entire amount then due under the terms of the trust deed and the obligation secured thereby (including costs and expenses actually incurred in enlorcing the terms of the obligation and truster's and attorney's tees not exceeding the amounts provided by law) other than such portion of the principal as would not then be due had no default occurred, and thereby cure the default, in which event all foreclosure proceedings shall be dismissed by the trustee.

the delault, in which event all foreclosure proceedings snatt be dismissed by the trustee.

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 price 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 price of the purchaser its deed in form as required by law conveying the price of the purchaser its deed in form as required by law conveying the price of the proceeds of the truster of the property to sold, but without any covenant or warranty, express or including the trustee, but including the grantor and beneficiary, may purchase at the sale.

15. When trustee salls 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 attorney, (2) to the obligation secured by the trust deed, (3) to all persons having recorded liens subsequent to the interest of the trustee in the trust deed as their interests may appear in the order of their priority and (4) the surplus, it any, to the grantor or to his successor in interest entitled to surplus.

surplus, it any, to one grantor or to ms successor in interest entitled to such surplus.

16. For any reason permitted by law beneliciary 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 beneliciary, containing reterence to this trust deed and its place of record, which, when recorded in the office of the County Clerk or Recorder 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 acknowledded is made a public record as provided by law. Trustee is not obligated to notify any party hereto of perding sale under any other deed of trust or of any action or proceeding in which fignator, heneliciary or trustee shall be a party unless such action or proceeding in brought by trustee.

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 companyings and loan association authorized to do business under the lows of Oregon or the United States, a title insurance company authorized to insure title to really 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 coverants 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 FIRST MORTGAGE IN FAVOR OF DONALD V. NONELLA RECORDED MARCH 2, 1978 IN BOOK M-78 AT PAGE 3947

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, is mily, household or agricultural purposes (see Important Notice below),

(b) for an organization, or (even if grantor is a natural person) are for business or commercial purposes other than agricultural

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, executors, contract ascured hereby, whether or not named as a beneficiary herein. In construing this deed and whenever the context so requires, the musculine gender includes the leminine 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 (c) is applicable and the beneficiary is a creditor as such word is defined in the Truth-in-tending Act and Regulation Z, the beneficiary MUST comply with the Act and Regulation by making required disclosures; for this purpose, if this instrument is to be a FIRST lien to finance the purchase of a dwelling, use Stevens-Next Form No. 1305 or equivalent; if this instrument is NOT to be a first lien, on is not to finance the purchase of a dwelling use Stevens-Next Form No. 1306, or equivalent. If compliance with the Act is not required, disresent this notion. with the Act is not required, disregard this notion. بددمم (if the signer of the above is a corporation, use the form of acknowledgment opposite.) County of Los Angeles
August 7, 1989 ,19 9

Personally appeared the ubove named Clifton 1. Scott and Mildred L. Scott ----Personally appeared

Walter of the control of the c ment to be. their voluntary standard (OPFICIAL SEAL) a corporation, and that the seal affixed to the foregoing instrument is the corporate seal of said corporation and that the instrument was signed and sealed in behalt of said corporation by authority of its board of directors; and each of them acknowledged said instrument to be its voluntary act anci deed. Baiore me: Achile My complission expires: 3-12-93 Notary Public for Oregon (OFFICIAL SEAL) My commission expires: REQUEST FOR FULL RECONVEYANCE To be used only when obligations have been paid. ...., 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: Beneticiary De not lose or destroy this Trust Deed OR THE KOTE which it secures. Both must be delivered to the trustee for concellation before reconvayance TRUST DEED STATE OF OREGON, (FORM No. 881-11 County of .....Klamath I certify that the within instrument was received for record on the at...3:39.....o'clock....PM., and recorded SPACE RESERVED in book/reel/volume No.....M89.....on Grantor FOR page...15033.....or as document/fee/file/ RECORDER'S USE instrument/microfilm No.3852...., Record of Mortgages of said County. Witness my hand and seal of AFTER RECORDING RETURN TO County affixed.

ASPEN TITLE & ESCROW, INC.

Fee \$13.00

...Evelyn Biehn, County Clerk.... By Daulene Millenolate Deputy