

5287

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DAN D. MCAULIFFE AND JOSEPHINE A. MCAULIFFE, husband and wife
as Grantor, KLAMATH COUNTY TITLE COMPANY, as Trustee, and

WITNESSETH:

The Westerly 125.00 feet of the South 1/2 of the Easterly 2/3 (230.39 feet) of Tract 38-- Merrill Tracts, according to the official plat thereof on file in the office of the County Clerk of Klamath County, Oregon.

SAVING AND EXCEPTING THEREFROM that portion conveyed to the State of Oregon,
by and through its State Highway Commission, by Deed recorded in Volume
281 page 325, Deed records of Klamath County, Oregon.

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 TEN THOUSAND AND NO/100 Dollars, with interest thereon according to the terms of a promissory

sum of TEN THOUSAND 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 March 15, 19 90. The debt secured by this instrument is the date, stated above, on which the final installment of said note is due, and no interest thereon is to be paid until the date when the debt secured by this instrument is sold, agreed to be sold, or otherwise disposed of.

note of even date herewith, payable to beneficiary or order and interest thereon, March 15, 1990.
not sooner paid, to be due and payable March 15, 1990, 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 hereinafter, shall become immediately due and payable.

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

to complete or restore promptly and in good and workmanlike manner any building or improvement which has been 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 in effect on said property; if the beneficiary so requests, to execute and file in the public office a financing statement pursuant to the Uniform Commercial Code as in effect on said property; to pay when due all lien searches made 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 cause to be continuously maintained insurance on the buildings

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 other hazards as the beneficiary may from time to time require, in and such other not less than full insurable value written in an amount acceptable to the beneficiary, with loss payable to the latter; all companies acceptable to the beneficiary, with loss payable to the latter; all policies of insurance shall be delivered to the beneficiary as soon as insured; and if 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 of insurance now or hereafter placed on said buildings, the beneficiary may procure the same at grantor's expense. The amount collected under any such 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 act done pursuant to such notice.

5. To keep said premium free from construction liens and to pay all taxes, assessments and other charges that may be levied or assessed upon or against said property or upon any part of such taxes, assessments and other charges because of or due or delinquent and promptly deposit the same and pay the same to the beneficiary; should the grantor fail to make payment of any taxes, assessments or premiums, the beneficiary shall be obligated to pay by grantor, either directly or indirectly, insurance premiums, liens or other charges payable with which to direct payment or by providing for the beneficiary with funds with which to make such payment, benefit or pay, at its option, make payment thereof, and the amount so paid with interest at the rate set forth in the note secured 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 a breach of any of the covenants hereof and for such payments and interest as aforesaid, the property hereinafter described, as well as the grantor, shall be bound to the same extent that they are bound for the payment of the obligation hereby described, and the nonpayment thereof shall, at the option of the beneficiary, constitute a breach of this trust deed, and the expenses of this trust including the cost of all sums secured by this trust deed immediately due and payable and

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 for the foreclosure of this deed, to pay all costs and expenses, including evidence of title and the beneficiary's or trustee's attorney's fees; the amount of attorney's fees mentioned in this paragraph 7 in all cases shall be applied by the trial court or grantor further agrees to pay such sum as the decree of the trial court shall adjudge reasonable as the beneficiary's or trustee's attorney's fees on such appeal.

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 so elected, to require that all or any portion of the monies payable right, if so elected, for such taking, which are in excess of the amount required as compensation for such taking, which are in excess of the amount necessarily paid or 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 appeal, and the balance applied upon the individual beneficiary in such proceedings, and the grantor agrees, at its own expense, to take such actions secured hereunder and grantor agrees, at its own expense, to take such actions and execute such instruments as shall be necessary in obtaining such condemnation, promptly upon beneficiary's request therefor upon written request of bene-

9. At any time and from time to time, upon written request of beneficiary, payment of its fees and prepayment of this deed and the note for endorsement (in case of full recoverances, 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 thereto," and the recitals therein of any matters or facts shall be the conclusive proof of the truthfulness thereof. Trustee's fees for any of the foregoing in this paragraph shall be not less than \$5.

[illegible]

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 or for the mortgagor.

[illegible][illegible]

14. Otherwise, the sale shall be held on the date and at the time and place designated in the notice of sale or the trustee may sell said property either be postponed as provided by law, or the trustee may sell the parcel or parcels in one or more parcels, in lots, blocks, acres and shall sell the parcel or parcels in one or more parcels to the highest bidder for cash, payable at the time the trustee shall deliver to the purchaser its deed, in full, as required by law conveying the property sold, with all covenants, conditions, warranties, express or implied, that the trustee may deem proper, and the trustee shall be conclusively presumed to have acted in good faith and in the fulfillment thereof. Any person, excluding the trustee, but including

15. When trustee sells pursuant to the provisions of (1) the expenses of sale, including the cost of the trustee's services, shall be paid out of the proceeds of sale, and (2) to the obligation secured by the trust or to all persons having recorded liens subsequent to the date of the trustee in the trust deed as their interest in the property in the order of their priority and (4) the balance of the proceeds of sale shall be paid to the person or persons entitled to such proceeds, if any, to the grantor or to his successor in interest entitled to such proceeds.

16. Beneficiary may from time to time appoint a successor or successors to any trustee named herein or to any successor in conveyance to the successor under. Upon such appointment, all with all title, powers and duties contained and trustee, the latter shall be deemed to be the trustee hereunder. Each such appointment upon the substitution herein named or appointed hereunder. Each such appointment substitution shall be made by written instrument in the records of the county or counties in which, when recorded in the 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 696.505 to 696.585.

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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 } ss.

This instrument was acknowledged before me on September 14, 1989, by

DAN D. MCAULIFFE AND
JOSEPHINE A. MCAULIFFE

Debra B. Bingham
Notary Public for Oregon
(SEAL) My commission expires: 12-19-92

STATE OF OREGON,

County of _____ } ss.

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

KCTC

2081

SPACE RESERVED
FOR
RECORDER'S USE

Fee \$13.00

STATE OF OREGON,

County of Klamath } ss.

I certify that the within instrument was received for record on the 18th day of Sept., 1989, at 9:49 o'clock A.M., and recorded in book/reel/volume No. M89 on page 17472 or as fee/file/instrument/microfilm/reception No. 5287, Record of Mortgages of said County.

Witness my hand and seal of County affixed.

Evelyn Biehn, County Clerk

NAME

TITLE

By Dan D. McAuliffe, Deputy