

6986

**SECOND TRUST DEED**

Vol. m89 Page 20503

as Grantor, MOUNTAIN TITLE COMPANY OF KLAMATH COUNTY, as Trustee, and

**WITNESSETH:**

Grantor, irrevocably grants, bargains, sells and conveys to trustee in trust, with power of sale, the property in Klamath County, Oregon, described as:  
The portion of Lots 5 and 6 in Block 35 of HOT SPRINGS ADDITION to the City of Klamath Falls, Oregon, described as follows: Beginning at a point on the Northerly line of Manzanita Street, 50 feet in a Southwesterly direction from the most Easterly corner of Lot 6 in said Block 35, and running thence Northwesterly parallel with Pacific Terrace 100 feet to the Northerly line of Lot 5 in said Block 35; thence Southwesterly along the Northerly line of said Lot 5, 50 feet; thence Southeasterly parallel with Pacific Terrace 100 feet to the Northerly line of Manzanita Street; thence Northeasterly 50 feet to the place of beginning, being the central 50 feet of Lots 5 and 6 in Block 35 of HOT SPRINGS ADDITION to the City of Klamath Falls, according to the official plat thereof on file in the office of the County Clerk of Klamath County, Oregon.  
Klamath County Tax Account #3809-028BC-05500.

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 ONE THOUSAND FIVE HUNDRED EIGHTY-ONE AND 34/100

sum of \_\_\_\_\_ 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\_\_\_\_, which the final installment of said note

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 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 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.

3. To comply with all laws, ordinances, regulations, covenants, conditions and restrictions affecting said property; if the beneficiary so requests, to join in executing such financing statements pursuant to the Uniform Commercial Code 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 filing officers 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 said premises against loss or damage by fire and such other causes as may hereafter be added from time to time required, in an amount of not less than \$ full insurable value, written in 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; if the grantor shall fail or any reason to procure any such insurance, he shall 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 fire or other insurance policy may be applied by beneficiary upon any indebtedness secured hereby and in such order as he may determine, or at option of the beneficiary, may be so collected, or any part thereof, may be paid or advanced to grantor. Such application or release shall not constitute a waiver of any default or notice of default hereunder or invalidate any action pursuant to such notice.

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 or against said property before any part of such taxes, assessments and other charges become past due or delinquent and promptly deliver receipts therefor to beneficiary; should the grantor fail to make payment of any taxes, assessments, insurance premiums, or other charges payable by grantor, either by direct payment or by providing beneficiary with funds with which to make such payment, beneficiary may, 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 breach of any of the covenants hereof and for such payments, with interest as aforesaid, the property hereinbefore described, as well as the grantor, shall be bound to the same extent that they are bound for the payment of the obligation hereinbefore described, and all such payments shall be immediately due and payable without notice, and the grantor and beneficiary shall, at the option of the beneficiary, render all sums secured by this trust deed immediately due and payable and subject to 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 for the foreclosure of this deed, to pay all costs and expenses, in

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, in any such suit. The amount of attorney's fees mentioned in this paragraph 7 shall be assessed and taxed by the trial court and the grantor and the beneficiary or trustee shall be bound by the decree of the trial court. The grantor further agrees to pay such sum as the appellate 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, in the event of a taking, to receive the monies payable therefor, with compensation for such taking, which are in excess of the amount required to pay all reasonable costs, expenses and attorney's fees necessarily paid or incurred by grantor in such proceedings, and all other benefits and expenses applied by it in such proceedings, and all other expenses and attorney's fees applied by it in such proceedings, and all other expenses and attorney's fees incurred by the trial and appellate courts, necessarily paid or incurred by beneficiary in such proceedings, and the balance applied upon the indebtedness secured hereby; and grantor agrees, at its own expense, to ask such compensation and execute such instruments as may be required to obtain 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 presentation of this deed and the note to endorsement (in case of full reconveyances, for cancellation) without affecting the liability of any person for the payment of the indebtedness, trustee man (a) consent to the making of any map or plat of said property; (b) join

granting any easement or creating any restriction thereon; (c) join in any subordination or other agreement affecting this deed or the lien or charge thereof; (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 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 order of priority of the claims of the individual creditors of the grantor, take possession of said property or any part thereof, in its own name sue or otherwise collect the rents, issues and profits, including those past due and unpaid, and apply the same, less costs and expenses of operation and collection, including reasonable attorney's fees, to the payment of 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 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 trustee shall declare all sums secured hereby immediately due and payable. In such an event, the trustee or his assigns may proceed to foreclose this trust deed 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 legal remedy, either at law or in equity, which may be available. In the event the beneficiary or beneficiaries of this trust deed forecloses and sells the property, the beneficiary or beneficiaries shall execute and cause to be recorded his written notice of default and sale, 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 to give notice thereof as then required by law to foreclose this trust deed in equity as a mortgage or direct the trustee to foreclose this trust deed in equity as a mortgage. **Recorded in QRS 36735 to 36795.**

13. After the trustee has commenced foreclosure by advertisement and in the manner provided in ORS 86.735 to 86.795, the 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 or the default may be cured by paying the sums secured by the trust deed, the default may be cured by tendering the entire amount due the time of the cure other than such portion as would then be due had no default occurred. Any other default that 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 such tender of the default or defaults, the person effecting the cure shall also tender 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

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 adjourned 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, and shall deliver to the purchaser the deed required by law conveying the property so sold, but without any covenant or warranty, express or implied. The recitals in the deed of any matters of fact shall be conclusive proof of the truthfulness thereof. Any person, except the trustee, but including the purchaser, shall be deemed to be present 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 the compensation of the trustee and a reasonable charge for trustee's attorney, (2) to the obligation secured by the trust, and (3) to the person having recorded liens subsequent to the interest of the trustee in the trust property. Any surplus or proceeds in excess of the interest of the trustee and any 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 to any trustee named herein or to any successor trustee appointed hereunder, 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 the appointor, and 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 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 trust is 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 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 the acquisition, maintenance or improvement of real property owned or to be owned by the grantor, or~~  
~~(c) for the acquisition, maintenance or improvement of a personal vehicle or other personal property owned or to be owned by the grantor.~~

*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 Co Klamath

This instrument was acknowledged before me on  
October 20 1989

CARRIE H. BUCK and LAURENCE B. BUCK

(SEAL)

**Notary Public for Oregon**

My commission expires: 11/16/91

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:**

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**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

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

CARRIE H. BUCK and LAURENCE B.  
1985 Manzanita  
Klamath Falls, OR 97601

## Grantor

EDWARD J. LYDON  
800 Ralston #206  
Reno, NV 89503

**Beneficiary**

AFTER RECORDING RETURN TO  
MOUNTAIN TITLE COMPANY OF  
KLAMATH COUNTY

9389

SPACE RESERVED  
FOR  
RECORDER'S USE

STATE OF OREGON.

County of .....Klamath

*I certify that the within instrument was received for record on the 26th day of Oct., 1989, at 8:58 o'clock A.M., and recorded in book/reel/volume No. M\* on page 20503 or as fee/file/instrument/microfilm/reception No. 6986, Record of Mortgages of said County.*

Witness my hand and seal of  
County affixed.

Evelyn Biehn, County Clerk

NAME

**TITLE**

By Gaeline Mulendore Deputy

1974 DEED  
Fee \$13.00