

Vol. m89 Page 22020-4

DAVID K. PRENTICE

FLOYD PHELPS and SUSAN B. PHELPS, husband and wife
as Beneficiary, WITNESSETH:

WITNESSETH:

as Beneficiary,

WITNESSETH:

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

PARCEL 1:
Lot 2, Block 12, FIRST ADDITION TO KLAMATH RIVER ACRES, according to the official
plat thereof on file in the office of the County Clerk of Klamath County, Oregon.

Klamath County Tax Account #3907-025C0-03400.

PARCEL 2:
The North $\frac{1}{2}$ of Lot 3 in Block 8, ALTAMONT ACRES, according to the official plat thereof on file in the office of the County Clerk of Klamath County, Oregon. EXCEPTING THEREFROM that portion conveyed to Klamath County for the widening of Bisbee Street.

Klamath County Tax Account #3909-10AC-2500.

Klamath County Tax Account #3909-10AC-2500.
THIS DOCUMENT IS BEING RE-RECORDED TO CORRECT THE AMOUNT OF THE TRUST DEED.
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 connec-
tion with said real estate.
PURPOSE OF SECURING PERFORMANCE OF each agreement of grantor herein contained and payment of the
ELEVEN THOUSAND FOUR HUNDRED

FOR THE PURPOSE OF SECURING PERFORMANCE of each agreement of grantor herein contained and payment of the sum of ~~ELEVEN THOUSAND AND SEVEN HUNDRED AND SEVENTY TWO~~ ELEVEN THOUSAND FOUR HUNDRED SEVENTEEN AND 27/100 Dollars, with interest thereon according to the terms of a promissory note of grantor to grantee, dated this 27th day of May, 1988, the sum of ~~ELEVEN THOUSAND AND SEVEN HUNDRED AND SEVENTY TWO~~ ELEVEN THOUSAND FOUR HUNDRED SEVENTEEN AND 27/100 Dollars, the principal of which is due and payable on or before the 27th day of May, 1990, is hereby assigned, transferred, conveyed and made by grantor, the final payment of principal and interest hereof, if

note of even date herewith, payable to beneficiary or order, on or before November 14, 1990,
not sooner paid, to be due and payable November 14, 1990, on 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; and permit 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 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 public office or offices, as well as the cost of all lien searches made by the public office or offices, as the beneficiary may deem desirable by the

proper public office or offices, as well as the cost of such insurance, shall be paid by filing officers or searching agencies as may be deemed desirable by the beneficiary.

4. To provide and continuously maintain insurance on the building owned by the said premises against loss or damage by fire, theft, explosion, riot, strike, sabotage, terrorism, flood, windstorm, hail, lightning, earthquake, volcanic eruption, nuclear energy, or other causes, and

4. To provide and maintain insurance against loss or damage by fire, theft, burglary, vandalism, riot, civil commotion, explosion, aircraft, and such other hazards as the beneficiary in any item time to time require, in an amount not less than \$100,000 full insurable value, written in companies acceptable to the beneficiary, with loss payable to the latter; and policies of insurance shall be delivered to the beneficiary as soon as insured and shall not fail or for any reason to procure any insurance prior to the expiration of the term of the policy.

if the grantor shall fail for any reason to procure any such policies, the grantor 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 building. The amount the beneficiary may procure the same at grantor's expense. The amount collected under any life or other insurance policy may be applied by beneficiary to any indebtedness secured hereby and in such order as beneficiary may desire. The amount so collected, less the amount so applied, shall be paid to the beneficiary.

5. To keep said premises free from construction liens and to pay a

5. To keep said premises free and clear of 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 thereof to beneficiary; should the grantor fail to make payment of any taxes, assessments, insurance premiums, liens or other charges payable by grantor, either directly or indirectly, the grantor hereby providing beneficiary with funds with which

ments, insurance premiums, and other expenses, by direct payment or by providing beneficiary with funds with which to make such payment, beneficiary may, at its option, make payment thereon 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 the trust deed, shall be added to and become a part of the debt secured by the trust deed, without waiver of any rights arising from breach of any of

trust deed, without waiver of any rights arising hereunder, the grantor, the grantor's heirs, assigns, personal representatives, successors and assigns shall be bound to the covenants hereof and for such payments, with interest as aforesaid, the party hereinbefore described, as well as the grantor, shall be obligated hereunder 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 upon the maturity and the nonpayment thereof shall, at the option of the beneficiaries hereunder, be immediately due and payable.

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.

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 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 the attorney's fees, of title and the beneficiary's or trustee's attorney's fees;

any suit for the recovery of the property, including evidence of title and the beneficiary's or trustee's interest in the property, shall be paid by the grantor. The amount of attorney's fees mentioned in this paragraph 7 in all cases shall be fixed by the trial court 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 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 it so elects, to require that all or any portion of the monies payable as 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, shall be paid to beneficiary and

to pay all reasonable costs, expenses and disbursements 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 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 take such actions as it deems appropriate and necessary in obtaining such costs, expenses and disbursements as shall be necessary in obtaining such com-

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 reconveyance, 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 plan 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) convey, without warranty, all or any part of the property. The grantee in any conveyance may be described as the "person or persons named herein as grantee in any conveyance" and the recitals therein of any matters or facts shall constitute proof of the truthfulness thereof. Trustee's fees for any of the foregoing shall be as set forth in the attached schedule, hereinafter attached, and shall be paid by the grantor.

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 adequacy of any security for the indebtedness hereby secured, enter upon and take possession of said property, and the same use, sell, lease, convey or otherwise collect the rents,

the indebtedness hereby secured, enter upon and 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 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 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

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 event, the beneficiary at his election may proceed to foreclose this trust deed.

event the beneficiary at his election may proceed to foreclose this trust deed by in equity as a mortgage or direct the trustee to foreclose any other right of advertisement and sale, or may direct the trustee to pursue any other right of 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 shall execute and cause to be recorded his written notice of default and shall execute and cause to be recorded his assignment of the obligation.

the trustee shall execute and cause to be recorded in the county of _____ 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 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 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 consists of a failure to pay, when due, the sums secured by the trust deed, the default may be cured by paying the entire amount due at the time of the cure other than such portion as would be due if a default occurred. Any other default that is capable of being cured under the terms of the deed may be cured under the terms of the deed.

entire amount due at the time of the default, and if the default is not then cured had no default occurred. Any other default under the obligation or trust deed, in addition to curing the default, the person effecting the cure shall pay to the beneficiary all costs and expenses actually incurred in enforcing the obligation of the trust deed, and attorney's fees not exceeding the amounts provided for in the trust deed.

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 parcel or in separate parcels and shall sell the parcel or parcels in the most advantageous manner possible at the time of sale. Trustee's fees and expenses shall be paid by the sale proceeds, but shall not exceed the amount of the proceeds.

in one parcel or in separate parcels, and the purchaser shall deliver to the purchaser its deed in form as 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 upon the trustee. Any person, excluding the trustee, but including the beneficiaries, may purchase at the sale.

15. When trustee sells pursuant to the powers provided herein, trust 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 trust 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 property, in order of their priority and (4) to the beneficiaries of the trust.

16. Beneficiary may from time to time appoint a successor or successors to any trustee named herein or to any successor trustee appointed herein, and without conveyance to the successor trustee.

and trustee, the latter shall be vested with all title, powers and duties concerning the same, upon any trustee herein named or appointed hereunder. Each such appointment and substitution shall be made by written instrument executed by 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.

17. Trustee accepts this trust when this deed, duly executed and acknowledged; is made a public record as provided by law. Trustee obligated to notify any party hereto of pending sale under any other debt or action or proceeding in which grantor, beneficiary or trustee is brought by 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 on 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.

25158

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 except Mortgages recorded December 28, 1977, in Volume M77, page 25017, and recorded February 8, 1984, in Volume M84, page 2000, all in Microfilm Records of Klamath County, Oregon, both in favor of State of Oregon, represented and acting by the Director of Veterans' Affairs 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).

~~OR (b) for the purpose of purchasing, constructing, improving, repairing, maintaining, or refinancing real property.~~

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 acknowledgment opposite.)

STATE OF OREGON,)
County of Klamath) ss.

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

DAVID K. PRENTICE

Christi L. Redd
Notary Public for Oregon

(SEAL)

My commission expires: 11/16/91

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:

DATE:

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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.

DAVID K. PRENTICE

16624 Clover Creek Rd.
Klamath Falls, OR 97601

Grantor

FLOYD PHELPS and SUSAN B. PHELPS

P.O. Box 719

Keno, OR 97627-0719

Beneficiary

AFTER RECORDING RETURN TO:
MOUNTAIN TITLE COMPANY OF
KLAMATH COUNTY

5808

SPACE RESERVED

FOR
RECORDER'S USE

STATE OF OREGON,)

County of Klamath) ss.

I certify that the within instrument was received for record on the 14th day of Nov., 1989, at 3:30 o'clock P.M., and recorded in book/reel/volume No. M89 on page 22028 or as fee/file/instrument/microfilm/reception No. 7867 Record of Mortgages of said County.

Witness my hand and seal of County affixed.

Evelyn Biehn, County Clerk

NAME

TITLE

By *Pauline Mueller* Deputy

Fee \$13.00

INDEXED

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22703 - A

STATE OF OREGON: COUNTY OF KLAMATH: ss.

Filed for record at request of Mountain Title Co. the 24th day
of Nov A.D., 19 89 at 9:51 o'clock AM., and duly recorded in Vol. M89,
of Mortgages on Page 22702.

Evelyn Biehn • County Clerk

By Caroline Mickelson

FEE \$15.00